DATA LABEL: Public

West Lothian Council

Governance and Risk Committee

West Lothian Civic Centre
Howden South Road
LIVINGSTON
EH54 6FF

11 June 2019

A meeting of the **Governance and Risk Committee** of West Lothian Council will be held within the **Council Chambers, West Lothian Civic Centre** on **Monday 17 June 2019** at **2:00pm**.

For Chief Executive

BUSINESS

Public Session

1. Apologies for Absence

2. Declarations of Interest - Members should declare any financial and non-financial interests they have in the items of business for consideration at the meeting, identifying the relevant agenda item and the nature of their interest

3. Order of Business, including notice of urgent business and declarations of interest in any urgent business

4. Confirm Draft Minute of Meeting of Governance and Risk Committee held on Monday 25 February 2019 (herewith)

Public Items for Decision

5. High Risks - report by Head of Finance and Property Services (herewith)

6. Internal Audit Annual Report - report by Audit, Risk and Counter Fraud Manager (herewith)

7. Annual Governance Statement 2018/19 - report by Governance Manager (herewith)

8. Committee Self-Assessment Feedback - report by Governance Manager (herewith)

9. Brexit Update - report by Head of Planning, Economic Development and Regeneration (herewith)

Public Items for Information

10. Management of Health and Safety Report - report by Head of Corporate Services (herewith)

11. Risk Management Annual Report - report by Head of Finance and Property Services (herewith)

12. Corporate Strategy Annual Update - Risk Management Strategy - report by Head of Finance and Property Services (herewith)

13. Workplan (herewith)

NOTE **For further information please contact Rachel Gentleman on 01506 281596 or rachel.gentleman@westlothian.gov.uk**

West Lothian Council

CODE OF CONDUCT AND DECLARATIONS OF INTEREST

This form is to help members. It is not a substitute for declaring interests at the meeting.

Members should look at every item and consider if they have an interest. If members have an interest they must consider if they have to declare it. If members declare an interest they must consider if they have to withdraw.

NAME	MEETING	DATE

AGENDA ITEM NO.	FINANCIAL (F) OR NON-FINANCIAL INTEREST (NF)	DETAIL ON THE REASON FOR YOUR DECLARATION (e.g. I am Chairperson of the Association)	REMAIN OR WITHDRAW

The objective test is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a councillor.

Other key terminology appears on the reverse.

If you require assistance, please ask as early as possible. Contact Julie Whitelaw, Monitoring Officer, 01506 281626, julie.whitelaw@westlothian.gov.uk, James Millar, Governance Manager, 01506 281695, james.millar@westlothian.gov.uk, Carol Johnston, Chief Solicitor, 01506 281626, carol.johnston@westlothian.gov.uk, Committee Services Team, 01506 281604, 01506 281621 committee.services@westlothian.gov.uk

March 2019

SUMMARY OF KEY TERMINOLOGY FROM REVISED CODE

The objective test

"…whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a councillor"

The General Exclusions

- As a council tax payer or rate payer or in relation to the council's public services which are offered to the public generally, as a recipient or non-recipient of those services
- In relation to setting the council tax.
- In relation to matters affecting councillors' remuneration, allowances, expenses, support services and pension.
- As a council house tenant, unless the matter is solely or mainly about your own tenancy, or you are in arrears of rent.

Particular Dispensations

- As a member of an outside body, either appointed by the council or later approved by the council
- Specific dispensation granted by Standards Commission
- Applies to positions on certain other public bodies (IJB, SEStran, City Region Deal)
- Allows participation, usually requires declaration but not always
- Does not apply to quasi-judicial or regulatory business

The Specific Exclusions

- As a member of an outside body, either appointed by the council or later approved by the council
- The position must be registered by you
- Not all outside bodies are covered and you should take advice if you are in any doubt.
- Allows participation, always requires declaration
- Does not apply to quasi-judicial or regulatory business

Categories of "other persons" for financial and non-financial interests of other people

- Spouse, a civil partner or a cohabitee
- Close relative, close friend or close associate
- Employer or a partner in a firm
- A body (or subsidiary or parent of a body) in which you are a remunerated member or director
- Someone from whom you have received a registrable gift or registrable hospitality
- Someone from whom you have received registrable election expenses

March 2019

MINUTE of MEETING of the GOVERNANCE AND RISK COMMITTEE held within COUNCIL CHAMBERS, WEST LOTHIAN CIVIC CENTRE, on 25 FEBRUARY 2019.

Present – Councillors Damian Timson (Chair), Tom Conn (substituting for Councillor Harry Cartmill), Lawrence Fitzpatrick, Pauline Clark and Chris Horne

Apologies – Councillor Harry Cartmill

In attendance – Graham Hope (Chief Executive), AnnMarie Carr (Head of Housing, Construction and Building Services), Donald Forrest (Head of Finance and Property Services), Jim Jack (Head of Operational Services), Craig McCorriston (Head of Planning, Economic Development & Regeneration), Julie Whitelaw (Head of Corporate, Operational and Housing Services), Kim Hardie (HR Manager, Health and Safety), Sarah Kelly (Performance and Change Manager), Marjory Mackie (Construction and Design Manager), Pamela Main (Senior Manager, Assessment and Prevention), Graeme Malcolm (Roads and Transportation Manager), Alistair Marshall (Solutions Architect Manager), Susan McKenzie (Senior Manager, Social Policy), James Millar (Governance Manager), Alison Raeburn (Service Officer, Education - Learning, Policy and Resources), and Kenneth Ribbons (Audit, Risk and Counter Fraud Manager)

1 DECLARATIONS OF INTEREST

Councillor Fitzpatrick declared an interest in item 20 as he was a Council-appointed member of the Edinburgh & South East Scotland City Region Deal Joint Committee.

2 ORDER OF BUSINESS

The Chair advised that item 11 (Management of Health and Safety) would follow item 6 (High Risks), item 20 (Edinburgh and South East Scotland City Region Deal) would be considered before item 19 (Cyber Security), then followed by item 17 (Workplan).

3 MINUTES

The Committee approved the minute of its meeting held on Monday 29 October 2018 as a correct record. The minute was thereafter signed by the Chair.

4 HEALTH AND SAFETY RISKS

The Committee considered a report by the Head of Corporate Services (copies of which had been circulated) updating members on the review and management of health and safety risks across the Council.

The key risks to service objectives were maintained in the Council's corporate risk register. They were kept under continuous review and developed in accordance with changes in service structure and the political, regulatory, economic and demographic environment. The Committee was advised in January 2018 of the health and safety risks and that a review of these was planned. The report detailed the outcome of this review of the risks contained in the risk register, which had been completed in September 2018.

As a result of the review by the Risk Manager and a service review by the Risk Manager in conjunction with health and safety officers, the number of risks recorded had increased from 16 in January 2018 to 70 currently. These were set out in Appendix 1 to the report.

The Council had implemented robust monitoring processes within services to ensure that relevant health and safety risks were identified, reviewed and properly scored. Risks continued to be discussed by service management teams on a monthly basis and changes were made and any new risks added where necessary. Recommendations for improvement were added as risk actions and progress in implementing these was reported to service management teams to facilitate completion.

During discussion, questions were asked about some of the risks contained in Appendix 1. The Committee was advised that risk CF001 (assault or injury to staff by service users within children’s residential houses) was being reduced through staff training and increasing staff confidence in dealing with incidents. Officers were also confident that risk ED004 (mainstream schools: attacks on or violence towards staff) would continue to reduce.

In relation to risk PTS001 (accidents/injuries involving children on or near school transport) members recalled a recent incident with a school transport provider. The Committee was advised that investigations were ongoing to establish the details of the incident. The procurement process included reviews of contracts, during which any issues would be taken into account.

Members commended the work of officers for their thoroughness in conducting the review of the risks and noted that this demonstrated the high importance the Council placed on risk management and good governance.

The Committee was recommended to note the content of the report and consider the Council’s health and safety related risks.

Decision

To approve the terms of the report.

5 HIGH RISKS

A report by the Head of Finance and Property Services (copies of which had been circulated) provided information on the risks which were currently rated as ‘high’. These were detailed in Appendix 1 to the report, while Appendix 2 set out the standard risk assessment methodology.

The number of high risks had increased from 10 to 12 since the last meeting of the Committee. The report informed the Committee of three new risks which had been added and one which had been removed since its last meeting. The risks which had been added related to breach of the statutory homeless duty and housing needs budget overspend and attacks on or violence towards staff in mainstream and additional support needs schools. The previous high risk relating to West Lothian Leisure and the potential failure to agree a financial plan for 2018/19 to 2022/23 had been removed.

A request was made that officers review whether the monetary values used in the impact table attached at Appendix 2 (Risk Assessment Methodology) were still appropriate. The Audit, Risk and Counter Fraud Manager undertook to discuss these with colleagues in the Financial Management Unit.

Discussion took place regarding risk HCBS004 (overspend of allocated housing need budgets) and the action which was in progress to prepare a Rapid Rehousing Transition Plan. The action was due to be completed by 1 April 2019 but the Council was awaiting feedback from the Scottish Government on the plan which had been submitted in December 2018. It was expected that any feedback would be received by the end of March 2019 and further clarification was being sought from the Government on whether the plan could be amended before the final submission. If amendments were required, the 1 April due date may not be met. The committee was assured that the timescale for work on CPU001 (review of Contracts Standing Orders) would be met.

The Committee was recommended to:

1. Note the Council’s high risks and the action taken to mitigate them; and

2. Provide feedback to officers on the risks and the mitigating actions.

Decision

1) To approve the terms of the report.

2) To note the undertaking by the Audit, Risk and Counter Fraud Manager to discuss with colleagues in Finance whether the 'financial loss or increased cost of working figures' noted in the impact table were appropriate.

3) To note the update provided in relation to the West Lothian Rapid Rehousing Transition Plan which had been submitted to the Scottish Government.

6 MANAGEMENT OF HEALTH AND SAFETY REPORT

A report by the Head of Corporate Services (copies of which had been circulated) updated the Committee on the management of health and safety risks across the Council.

Information was provided on the health and safety incidents reported for all service areas. Appendix 1 to the report provided details of health and safety statistics from 1 April – 31 December 2018 and appendix 2 set out the number of incidents of violence and aggression recorded within Education from 2016/17 to 2018/19 to date.

The Council had implemented robust risk management and monitoring processes with the aim of ensuring that risks to the achievement of key objectives were mitigated as far as possible. The report explained that health and safety was monitored by services using reactive and proactive measures to provide indicators of health and safety performance to support the implementation of the health and safety management system. The reporting procedures in place for monitoring health and safety at management level were explained.

Attention was drawn by members to the number of physical assaults in education by pupils against staff and other pupils as the data showed the number of incidents taking place in secondary schools was decreasing. The Committee was advised that an ongoing exercise was underway to further improve this. A range of approaches to de-escalate situations in the first instance and reduce the need for physical intervention were being considered. School staff, head teachers and the educational psychology team would be consulted to establish a method which would be effective in all school environments. Officers confirmed their view to committee that easier reporting methods had led to increased reporting.

The increased number of assaults being reported was highlighted and officers were commended for encouraging this improvement over recent years. Members agreed that better reporting allowed for any persistent issues to be addressed.

The Committee was recommended to note the content of the report.

Decision

To note the terms of the report.

7 PROPERTY COMPLIANCE PERFORMANCE

A report by the Head of Finance and Property Services (copies of which had been circulated) informed the Committee of the approach taken to statutory property compliance and the current results for the agreed property compliance performance indicators.

The Council had developed policies and management plans to ensure its buildings remained compliant with property related statutory legislation. The Corporate Health and Safety Policy included fire safety, management of asbestos, legionella management and electrical safety.

Performance was regularly measured using a suite of performance indicators in line with the performance management framework. The report set out 13 performance indicators for activities delivered by Construction Services and the results for each were attached at Appendix 1 to the report. Performance was regularly reviewed by the service.

The report provided an update on the legionella risk assessment programme, noting that a new contractor had been appointed in April 2018 following the termination of the previous contract. Council policy stated that risk assessments would be reviewed every two years but this had not been met during the first three quarters of 2018/19 due to the previous contractor's performance. The Committee were advised that all risk assessments would be completed by the end of February 2019 and that the risk assessment programme would be managed over the next two years.

An update was also given on the asbestos re-inspection programme which had been delivered internally since 2017/18. The programme of re-inspections and the performance indicators had been reviewed to ensure work was managed across the year within available resources. A new property asset management system which would incorporate the asbestos database would be available during 2019.

During discussion, the Committee received reassurance that the legionella risk assessment programme had been brought up to date as it was now delivered internally, and that the two-year planning process would ensure that it could be delivered within existing resources in future.

The Committee were recommended to:

1. Note the approach taken to meet statutory compliance requirements and the current performance of the property compliance performance indicators; and

2. Provide feedback to officers on the performance to date.

Decision

To approve the terms of the report.

8 ROADS AND TRANSPORTATION RISKS

A report by the Head of Operational Services (copies of which had been circulated) was considered which updated the Committee on the status of risks currently identified by Roads and Transportation Services, as requested by the Committee in June 2018.

Six risks had been identified for the service and these were recorded in the Council's risk register. The report set out each of these risks, none of which were rated as high, and provided some explanatory information on each. There were four amber and two green risks and full details of these were set out in Appendix 2 to the report. The procedure for managing service risks was also attached to the report at Appendix 1.

The report explained that Audit Scotland had issued a follow-up report to its Maintaining Scotland’s Roads report in 2016 and a response had been published by the Strategic Action Group in January 2018. This report contained recommendations for Councils and West Lothian Council had concluded in its report to the Committee in October 2018 that it had already met a number of the key recommendations and was working well with collaborative partners to make progress in other areas.

Further information was provided on the road asset management policy and plan, quality management system and maintenance manual and the economic impact of road maintenance. In particular, the report highlighted that funding constraints impacted on the risks and increased the likelihood and impact of a failure in service. In the future, the safety of the road network would be ensured but the condition of road assets would fall as less maintenance was undertaken.

During the discussion, attention was drawn to the ‘economic impact of road maintenance’ section of the report which stated that for every £1 reduction in road maintenance, there was a cost of £1.50 to the wider economy. The Committee was advised that this figure was determined by the ‘Economic, Environmental and Social Impact of Changes in Maintenance Spend on Roads in Scotland’ report published in 2012.

Further questions were asked in relation to the risks associated with communities carrying out activities such as litter picking themselves and if this increased the risk. It was noted that this was out with the remit of roads and transportation services but that generally contact was made with the Council in the first instance which allowed any risks to be assessed.

In terms of risk ‘RTS006’ (flooding causing damage to roads, buildings and infrastructure), in response to a question on gully cleaning the Committee was informed that known problematic areas had planned inspections but that for other areas, taking a reactive approach when issues arose was more effective.

The Committee went on to consider the impact of the increasing number of vehicles using the road network. Members asked if the Council had any influence over the use of heavy goods vehicles in particular or could encourage companies to use motorways rather than local roads. Members also asked whether any work had been undertaken to determine the impact of the increase in the number of electric vehicles on the road network as these tended to be heavier than conventional cars. The Roads and Transportation Manager responded that the Council could not prevent HGVs using local roads and that he was unaware of any research which had been completed on the impact of electric vehicles but undertook to investigate this.

The Committee was recommended to note:

1. The content of the report and the relevant risks recorded in the

Pentana system; and

2. The consequences and the mitigation measures in place.

Decision

1) To approve the terms of the report.

2) To note the undertaking of officers to investigate whether any research had been done on the impact of electric vehicles on the condition and maintenance of the road network.

9 RISK MANAGEMENT PLAN 2019/20

The Committee considered a report by the Head of Finance and Property Services (copies of which had been circulated) informing members of the 2019/20 risk management plan.

Risk management plans set out the planned risk management work for the year and were developed annually. Approval was sought of the proposed plan for 2019/20 which was attached to the report at Appendix 1. The purpose of the risk management plan, in tandem with the risk management strategy, was to ensure that effective risk management and business continuity processes were in place.

In 2019/20, the main activities planned were to work with services to ensure that risks accurately reflected threats to their objectives, to facilitate the work of the Governance and Risk Committee and Board, and regular reporting on risk. The report advised that the council's risk management policy would be reviewed and updated and progress in relation to the risk management strategy would be reported to the Committee.

The Committee thanked the Audit, Risk and Counter Fraud Manager for his work and noted that the delivery of actions to manage risks were the responsibility of service areas.

The Committee was recommended to approve the 2019/20 risk management plan.

Decision

To approve the terms of the report.

10 COMMITTEE SELF-ASSESSMENT

A report by the Governance Manager (copies of which had been circulated) was presented which asked the Committee to review and renew the arrangements for carrying out a self-assessment of its administrative arrangements and activity.

The Council had considered a report by the external auditors in

September 2017 which included findings relating to the Governance and Risk Committee and welcomed the greater focus on risk that would be achieved. The external auditors recommended that annual self-assessment exercises were undertaken and the Committee agreed to carry out the first of these in January 2018. The results of this were reported to the Committee in April 2018 and it was agreed that the exercise would be undertaken each year.

The survey questions included in 2018 were attached to the report at Appendix 1 for consideration by members. If approved, it was intended that a survey would be issued to Committee members with the results reported in June 2019.

During discussion, members agreed that the questions did not require any amendments but expressed that they would welcome a similar process being implemented to give officers the opportunity to provide their views. The Governance Manager undertook to consider options for this in the future.

The Committee was recommended to:

1. Consider the questions in Appendix 1 to the report and identify any improvements that may be made; and

2. Agree that the questions be circulated to members with a view to the results being reported back to the next meeting.

Decision

1) To approve the terms of the report.

2) To agree that the Governance Manager would consider options for gathering officers' views on the Committee in the future.

11 RISK MANAGEMENT WITHIN HOUSING, CUSTOMER AND BUILDING SERVICES

The Committee considered a report by the Head of Housing, Customer and Building Services (copies of which had been circulated) and received a presentation on the approach to risk management taken by the service.

The report provided an overview of the service and the approach taken to manage the risks to the service achieving its objectives. This included maintaining a risk register using the Council’s corporate risk management tool. Service risks were reviewed on a monthly basis by Service Managers to ensure any arising issues or variances from the original assessment were captured. Service-wide reviews of performance and risk were also conducted each month by the Service Management Team, which considered whether controls were operating effectively and whether there were additional risks to be added to the register.

Housing, Customer and Building Services was represented on the Corporate Governance and Risk Board, the role of which was to review and monitor corporate risk issues. The service representative reported on issues within the service which may be relevant to other areas of the Council.

Information was provided on all of the risks identified within the Service and these were set out in Appendix 1 to the report. There were currently 18 risks recorded, 2 of which were rated ‘high’. There were 5 medium risks and 11 low risks. The high risks were ‘overspend of allocated housing needs budgets’ and ‘breach of the statutory homeless duty’. Further details of the high risks were attached at Appendix 2, including the mitigating measures in place and the action being taken.

A request was made for officers to review whether the monetary values used in the impact table attached at Appendix 3 (Risk Assessment Methodology) were appropriate. The Audit, Risk and Counter Fraud Manager undertook to discuss these with colleagues in the Financial Management Unit.

In response to a question on the risk relating to property voids, the Committee was advised that weekly meetings were currently taking place to monitor the number of property voids and to improve the speed of turnover between properties being vacated and tenants being able to move in. The Service was doing as much as possible in terms of oversight of the situation and ensuring improvements were being made. The importance of balancing improved turnover against the need to ensure tenants were not allocated properties still in need of significant repairs was highlighted.

Further questions were asked in relation to risk HQS002 (failure of contractor to deliver on time resulting in time delays/additional costs re new build housing). Members were advised that contractors were aware of the condition new build properties were expected to be in at the time of handover to the Council and that if these were not met there could be some delays to properties becoming available. The Committee requested that the current impact rating for this risk be reviewed.

The Committee was recommended to note the approach taken by the service.

Decision

1) To note the presentation and the terms of the report.

2) To request that the current impact rating of risk HQS002 (failure of contractor to deliver on time resulting in time delays/additional costs re new build housing) be reviewed.

3) To note the undertaking by the Audit, Risk and Counter Fraud Manager to discuss with colleagues in Finance whether the 'financial loss or increased cost of working figures' noted in the impact table were appropriate.

12 BREXIT UPDATE

A report by the Head of Planning, Economic Development and Regeneration (copies of which had been circulated) on the risks relating to the UK leaving the European Union was considered by the Committee.

During consideration of a report on Brexit at its meeting on 29 October 2018, the Committee requested that further reports were presented to the meetings in February and June 2019 as it was concerned about the potential risks in the lead up to the UK leaving the EU. The report provided an update on the Brexit-related risks identified for the Council and the work being carried out to better understand the implications of leaving the EU for West Lothian Council, its partners and West Lothian as a whole.

The Council had undertaken horizon scanning exercises over recent months and had identified a number of potential risks from Brexit negotiations that could impact on council service delivery and operations. There were currently two risks identified which were attached to the report at Appendix 1.

A Brexit Corporate Working Group had been established to better understand these risks and its remit was set out in the report. The Group had increased its meetings to fortnightly and focussed on assessing potential risks and opportunities for each service area. A separate risk register covering the short term risks in the event of a ‘no deal’ Brexit had been developed, however it was noted that the Council had little control in terms of mitigating any risks. As the negotiations were ongoing and there had not been confirmation of the exit arrangements, risks were being managed on a weekly basis to ensure the risk actions reflected current thinking in terms of the likely Brexit outcome.

The Group had agreed to undertake an exercise to assess the risk, if any, posed by Brexit to the effective delivery of current contracts. Services had been asked to identify business critical contracts and whether Brexit posed any risk. If necessary, a contract risk register would be established.

Members considered the impact of Brexit on employers in the West Lothian area and to the Council, particularly in relation to the care sector. The Head of Planning, Economic Development and Regeneration advised that the Council was in contact with some businesses and organisations but that West Lothian did not appear to be as exposed in terms of risk relating to the workforce as some other areas. Recruitment in the care sector was already challenging but it was not clear whether Brexit would have a detrimental impact.

It was highlighted that the Home Office had recently established a support group for local authorities and the Chair asked if the Council had engaged with this support. The Head of Service undertook to find out what involvement, if any, the Council had.

Comments were also made in relation to Council and contractor supply chains and whether any detrimental impact was expected as a result of Brexit. The Committee was advised that a risk assessment exercise was currently being carried out by procurement officers and this would be completed shortly.

The Committee was recommended to note:

1. The content of the report and the relevant risks recorded in the Pentana system;
2. That there would be ongoing monitoring of the Brexit negotiations and reporting through the Council's governance structures on the implications for West Lothian.

Decision

1) To note the terms of the report.

2) To request that officers provide information on the involvement West Lothian Council has had with the Home Office support group for Local Authorities.

13 PUBLIC SECTOR EQUALITY DUTY

The Committee considered a report by the Head of Corporate Services (copies of which had been circulated) on the measures the Council had in place to ensure compliance with the Public Sector Equality Duty which was introduced by the Equality Act 2010.

Public bodies such as the Council were required, in the exercise of their functions, to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct; advance equality of opportunity between those who shared a protected characteristic and those who did not; and to foster good relations between those who shared a protected characteristic and those who did not.

The Council had a number of measures in place to support the commitment to integrating an equality perspective into its everyday work. A set of specific duties for public bodies had also been introduced by legislation to support better performance of the public sector equality duty. These duties were listed in the report.

The report provided information on each of these specific duties and how they were met by the Council. These included the publication of an updated Equality Outcomes and Mainstreaming Report for 2017-2021 following the publication of the first report in 2013. Nine Corporate Equality Outcomes had also been developed for 2017-2021. A two year progress report on the current Equality Outcomes would be considered by the Council Executive in April 2019.

The Equality Mainstreaming Report 2017-2021 was attached to the report at Appendix 1.

During consideration of the report, a question was asked regarding the numbers of male and female senior officers of the Council and it was noted that this information was included in the report at Appendix 1.

Members discussed the influence the Council had through the Economic Development service for promoting equalities issues with local employers and businesses. The Head of Corporate Services advised that the Duty focussed on the Council’s responsibility to achieve equality between those who shared a protected characteristic and those who did not, but that the Council could discuss these issues with local employers and include information on this in the next report.

In relation to the specific duty to ensure information was published in a manner that was accessible, the Chair requested that improvements to the Council’s website be considered to improve accessibility as some community organisations had raised this as an issue. The Head of Corporate Services undertook to meet with specific organisations which had expressed concerns to discuss these.

The Committee was recommended to note the terms of the report.

Decision

1) To note the terms of the report.

2) To request that the Head of Corporate Services discuss equalities issues with employers in the local area and include information from this in the next biennial report.

3) To note the undertaking by the Head of Corporate Services to meet with organisations regarding the accessibility of the Council's website.

14 SEVERE WEATHER

The Committee considered a report by the Head of Corporate Services (copies of which had been circulated) providing information on the measures in place for dealing with risks relating to severe weather.

The Council had arrangements in place for dealing with disruption caused by severe weather; however the exceptionally severe weather experienced during the early part of 2018 had identified areas which could be reviewed. These issues primarily related to the effectiveness of communication and contingency arrangements. Therefore, a review of the arrangements was undertaken and a revised Severe Weather Policy was approved in December 2018.

Key changes to the policy included a specific section relating to ‘red’ weather warnings and the contingency arrangements to be invoked in these circumstances to ensure the safety and well-being of staff and the continuity of essential service delivery. The policy was informed by the Severe Weather Fair Work Charter which provided a set of guiding principles to support employers and staff to plan for and manage the impact.

Further changes made emphasised the need for well communicated contingency arrangements, set out an agreed list of staff deemed ‘essential workers’ who may require to remain at or attend their usual place of work to ensure service deliver. The revised policy also granted the Chief Executive discretion to over-ride normal policy provisions in the event of red weather warnings. The revised policy was attached to the report at Appendix 1.

The report provided further information on the staff communication arrangements in place, including business continuity plans, group text messaging, the council website, Facebook page and guidance for staff. It was also noted that Operational Services had a specific Winter Service Plan in place which ensured the safe movement of road users and pedestrians. This was attached to the report at Appendix 2.

The Committee was recommended to note the measures in place to manage risks relating to severe weather. Members welcomed the changes which had been made to the policy.

Decision

To note the terms of the report.

15 CORPORATE GOVERNANCE ANNUAL REPORT - FOLLOW-UP

Following the approval in April 2018 of a revised Local Code of Corporate Governance, the annual report on compliance with the Code was considered by the Council Executive in September 2018. This report advised that standards of the Code continued to be substantially met in 2017/18.

The 2017/18 annual report was then considered by the Governance and Risk Committee in October 2018, and included a list of issues for attention in 2018/19. The Committee agreed that these should be addressed and that an update be submitted on progress. An update report by the Governance Manager (copies of which had been circulated) was considered by the Committee.

Attached to the report at Appendix 1 was the list of issues as submitted in October 2018, with the addition of an ‘update’ column with details of progress against each issue since that meeting.

It was noted that the next annual governance statement would be submitted in June 2019 and would include confirmation of the position at that time.

The Committee was recommended to note the update on issues of concern identified in the annual governance statement and annual report for 2017/18 as attached at Appendix 1 to the report, and that further updated information would be included in the annual governance statement for 2018/19.

Decision

To note the terms of the report.

16 EDINBURGH AND SOUTH EAST SCOTLAND CITY REGION DEAL

A report by the Head of Planning, Economic Development and Regeneration (copies of which had been circulated) on the Edinburgh and South East Scotland City Region Deal was considered by the Committee.

The City Region Deal was signed in summer 2018 following a lengthy period of negotiation and covered areas within Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian. The agreement sought to deliver inclusive growth across the region focussing on the three broad categories of skills and innovation, transport, and housing and culture.

The report provided the Committee with information on the governance arrangements in place to ensure effective management of the projects which were to be delivered as part of the Deal. Three Thematic Boards reported on each theme to an Executive Board made up of senior officers from each local authority. The Executive Board then made recommendations to a Joint Committee which comprised of one voting representative from each constituent authority and up to three from the education and private sectors. The Joint Committee then made decisions on projects and investments but could not take any which would have financial implications for any of the constituent authorities.

In terms of project management, the City of Edinburgh Council had been appointed as the lead authority. A Programme Management Office was managed by a Project Manager appointed by the City of Edinburgh Council, and oversaw the projects being delivered and maintained the risk register.

Further details were provided on the Winchburgh development project which was covered by the Deal. Guarantees facilitated by the Deal helped to eliminate constraints and meant that the development could be progressed.

The Committee welcomed the work which had been completed to date, in particular the progress towards initiating development at Winchburgh. The Chair queried whether sufficient capacity would be available within the schools in the area and assurances were provided by the Head of Planning, Economic Development and Regeneration that the education planning process had ensured school capacity would be sufficient.

The Committee was recommended to note:

1. The governance and risk management arrangements across the whole of the City Region Deal; and

2. The additional arrangements which were in place with respect to the Winchburgh infrastructure project.

Decision

To note the terms of the report.

17 PRIVATE SESSION

The Committee resolved to consider the following item of business (Cyber Security) in private as it was likely to contain exempt information under Paragraph 14 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973.

18 CYBER SECURITY

The Committee heard a presentation by the IT Solutions Architecture Manager on cyber security. The presentation provided members with detailed information on the variety of measures that were in place to protect the council against the threat of cyber-attacks.

A report by the Head of Corporate Services (copies of which had been circulated) was also considered by the Committee which informed members on the measures implemented to protect against the threat and risks associated with cyber security.

The report cautioned that as the world continued to progress into the digital era and technology was used more in day to day lives, the opportunity for individuals to disrupt progress increased. It explained that high value crimes were no longer attributed to burglary or theft of vehicles but instead cyber and fraud crimes. Figures for 2016 reported just fewer than 6 million cyber offences, and in 2017 around £130 billion had been stolen from consumers through cyber crime.

As the Council continued to deliver more services online for residents and staff in West Lothian, the risks increased and the need to protect against these was more important. The report listed the measures that had been put in place to protect the IT infrastructure and advised that the Council would continue to monitor emerging risks relating to cyber security and implement measures to minimise the risks.

Members put questions to officers regarding the various measures the Council had put in place to minimise the risks and the assessment methods used to assess the level of risk. The frequency of training for staff and elected members was also raised.

During discussion, the level of security provided by staff in the Civic Centre was noted. Members agreed that while cyber security was increasingly relevant, physical security in Council premises also remained important for customers, officers and elected members.

Decision

1) To note the presentation and the terms of the report.
2) To note the importance of physical security in Council buildings as well as cyber security.

19 WORKPLAN

The Committee resumed the public session for consideration of this item.

The workplan for future meetings of the Committee was presented.

Decision

To note the workplan.

West Lothian Council

GOVERNANCE AND RISK COMMITTEE

HIGH RISKS

REPORT BY HEAD OF FINANCE AND PROPERTY SERVICES

A. PURPOSE OF REPORT

To inform the Governance and Risk Committee of the council's high risks.

B. RECOMMENDATION

It is recommended that the Governance and Risk Committee:

1. notes the council's high risks, and the action being taken to mitigate them;
2. provides feedback to officers on the risks and the mitigating actions.

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Being honest, open and accountable, making best use of our resources.
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	The Risk Management Policy requires the council to effectively manage risks.
III	**Implications for Scheme of Delegations to Officers**	None.
IV	**Impact on performance and performance Indicators**	Weaknesses in the council's risk management arrangements are likely to have an adverse impact on performance.
V	**Relevance to Single Outcome Agreement**	Our public services are high quality, continually improving, efficient and responsive to local people's needs.
VI	**Resources - (Financial, Staffing and Property)**	None.
VII	**Consideration at PDSP**	None.
VIII	**Other consultations**	Executive Management Team, Heads of Service.

D. TERMS OF REPORT

The council maintains its corporate risk register on the Pentana system. Risks are scored for original risk, which is the assessed risk without controls in place, and which provides an appreciation of the potential impact if controls are absent or fail, and current risk, which assumes that current controls are in place and are effective.

Risks are assessed on the basis of a five by five grid, and therefore the lowest possible score is one and the highest is 25. The council's high risks are defined as those risks which have a current risk score of 12 or more.

The council's high risks are set out in detail in appendix one. The number of risks has increased from twelve to thirteen since the Committee's last meeting. Risk WLC004 "Political uncertainty - impacting on service delivery" is now considered to be a high risk.

In relation to the appendix:

- the traffic light icon in the top left corner of each risk represents the risk ranking. As this is a report of high risks only, this icon is either high or medium high. The traffic light icons are explained in the table at the start of appendix one;
- there is a code, title and description for each risk;
- the original risk score represents the risk without controls in place, and provides an appreciation of the potential impact if controls are absent or fail;
- the current risk score represents the current risk, i.e. assuming that current controls are in place and effective;
- the internal controls are those processes which are currently in place and which reduce the risk from the original risk score to the current risk score;
- the risk actions are those measures which are intended to further reduce the current risk.

The risk actions have a title and code, an original due date, a revised due date, a progress bar which is an assessment of their percentage completion, and a description. The report only contains risk actions which are in progress, i.e. which are not complete. Once marked as complete, risk actions should be included as internal controls and taken account of when assessing the current risk score.

Appendix 2 to this report sets out the council's standard risk assessment methodology.

The council's high risks are reported on a regular basis to the Governance and Risk Board, which is an officer group which exercises oversight over the council's governance and risk management arrangements, and the Executive Management Team.

E. CONCLUSION

Regular review by the Governance and Risk Committee will assist in ensuring that the council's risks are effectively managed.

F. BACKGROUND REFERENCES

None.

Appendices/Attachments: (1) High Risks (2) Risk Assessment Methodology

Contact Person: Kenneth Ribbons, Audit Risk and Counter Fraud Manager - Kenneth.ribbons@westlothian.gov.uk Tel No. 01506 281573

Donald Forrest
Head of Finance and Property Services

Date of meeting: 17 June 2019

Appendix 1 High Risks

Report Author: Kenneth Ribbons
Generated on: 06 June 2019 17:06
Report Layout: .R09b_Internal Controls, Original Score, Current Score, with linked Actions (outstanding only)

Key to Risk Scores

Icon	Score	Meaning
🛑	16-25	High
⚠	12-15	Medium High

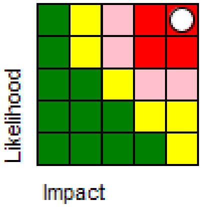
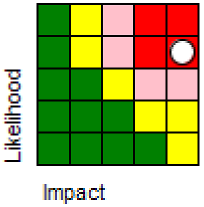
Key to Action Status

Icon	Status
🛑	Overdue
▲	Approaching Due Date
▶	In progress

Appendix 1 High Risks

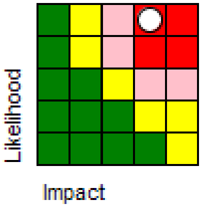
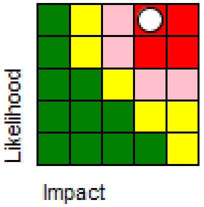
Report Author: Kenneth Ribbons
Generated on: 06 June 2019 17:06
Report Layout: .R09b_Internal Controls, Original Score, Current Score, with linked Actions (outstanding only)

●	**WLC031 West Lothian Leisure - failure to deliver financial plan 2019/20 to 2021/22 with a resultant financial impact on the council**	Failure by West Lothian leisure (WLL) to deliver an effective medium term financial plan including a balanced budget could lead to unplanned WLL service reductions, failure to deliver key services, and additional demands on WLC resources. There could also be a reputational risk to the council.
	Current Controls:	WLL have committed to medium term financial planning consistent with the council's budget strategy period 2018/19 to 2021/22.Monitoring of WLL's budget position is being reported to WLL Audit & Finance Committee and WLL Board. WLL's Board approved their financial strategy for the three year period 2019/20-2021/22 on 13 December 2018. Attendance at WLL Board meetings as required. Detailed 2019/20 budget and business plan approved by the WLL Board March 2019. Ongoing liaison with WLL via the WLL Review Group. Ongoing quarterly reporting to WLL Advisory Committee on financial position and any action required.

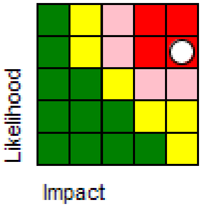
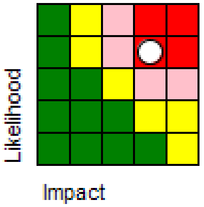
Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix
25		20	

Linked	Risk Actions	Original Due Date	Due Date	Progress	Description

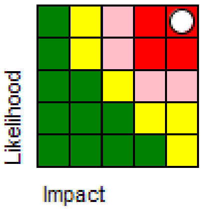
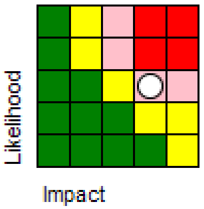
🛑	**HCBS004 Overspend of allocated Housing Need budgets**	Increased demand for homeless services. This may also result in an overspend of allocated budgets.
	Current Controls:	Monitor length of stay in temporary accommodation. Monitor numbers in hotel accommodation. Need throughput via void processes, allocations and partner agencies. Procurement framework for supply of emergency accommodation. Increase number of temporary tenancies by additional 65.

Risk Score	**Original Risk Matrix**	**Risk Score**	**Current Risk Matrix**	**Linked**	**Risk Actions**	**Original Due Date**	**Due Date**	**Progress**	**Description**
20		**20**		▶	HCBS18004_Ar Building more houses enabling release of mainstream houses for secondary lets	31-Mar-2020	31-Mar-2020	75%	The council will be implementing a new build council housing programme over the period to 2021/22. As the allocation of the houses which are completed as part of the programme will be transfer led, it is anticipated that there will be a significant number of secondary lets during the period of the programme. A percentage of the secondary lets will be allocated to homeless applicants.
				▶	HCBS18001_Ar Preparation of Rapid Rehousing Transition Plan	31-Dec-2018	30-Jun-2019	85%	Preparation of homeless plan intended to transform temporary accommodation, prevent homelessness and move towards models of rapid re-housing and Housing First.

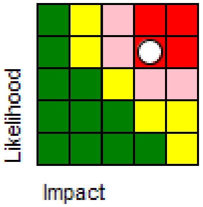
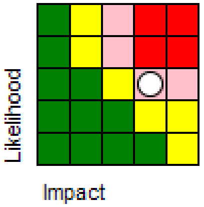
🛑	**HCBS012 Breach of statutory homeless duty**	Lack of adequate accommodation due to increased demand results in HCBS breaching our statutory duties to accommodate unintentionally homeless people in suitable accommodation
	Current Controls:	Monitor numbers in hotel accommodation. Monitor numbers of families and pregnant females in bed and breakfast accommodation for longer than 7 days Need throughput via void processes, allocations and partner agencies. Increase number of PSL temporary tenancies by additional 65.

Risk Score	**Original Risk Matrix**	**Risk Score**	**Current Risk Matrix**	**Linked**	**Risk Actions**	**Original Due Date**	**Due Date**	**Progress**	**Description**
20		16		▶	HCBS18004_Ar Building more houses enabling release of mainstream houses for secondary lets	31-Mar-2020	31-Mar-2020	75%	The council will be implementing a new build council housing programme over the period to 2021/22. As the allocation of the houses which are completed as part of the programme will be transfer led, it is anticipated that there will be a significant number of secondary lets during the period of the programme. A percentage of the secondary lets will be allocated to homeless applicants.
				▶	HCBS18001_Ar Preparation of Rapid Rehousing Transition Plan	31-Dec-2018	30-Jun-2019	85%	Preparation of homeless plan intended to transform temporary accommodation, prevent homelessness and move towards models of rapid re-housing and Housing First.

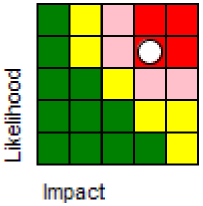
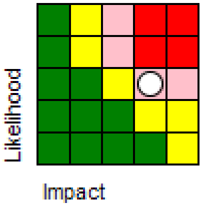
⚠	**WLC023 Failure to deliver financial plan 2018/19 to 2022/23**	Adverse financial settlement resulting in changes to funding, or unanticipated cost pressures, could lead to failure to deliver the agreed West Lothian Council medium term financial plan, leading to unplanned service reductions, a failure to deliver key services, reputational damage, and industrial action.
	Current Controls:	Comprehensive financial regulations in place. Robust financial planning and budgetary framework in place. Consultation and reports on all responses presented to PDSPs in December 2017. Transformation project team established to drive forward implementation of service changes required to achieve financial balance. Well established RAG analysis processes in place to monitor delivery of savings. The level of uncommitted reserves is reviewed as part of the revenue budget setting process and will continue to be subject to a specific recommendation in the annual revenue budget report. Updates on the economic context at UK, Scottish and West Lothian level and an update on the council's future budget model are presented quarterly to the Partnership and Resources PDSP. The Transformation Team works with FMU and HR to monitor the delivery of savings across the council. The outcome of this monitoring is included in quarterly monitoring reports to the Council Executive and includes a review of progress on delivery of budget savings for the first three years of the strategy.

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked	Risk Actions	Original Due Date	Due Date	Progress	Description
25		**12**		▶	FM19003_Ar Development and Approval of 2020/21 – 2022/23 Financial Plan	29-Feb-2020	29-Feb-2020	25%	Updated revenue budget 2020/21 to 2022/23 approved by West Lothian Council
				▶	FM19004_Ar Assessment of 2020/21 Financial Settlement and report on outcome to Council Executive	31-Jan-2020	31-Jan-2020	25%	Financial implications of Local government Settlement identified and reported to Council Executive and reflected in council's 2020/21 to 2022/23 revenue budget report for approval

⚠	**WLC026 Failure to effectively manage the impact on council objectives of exit from the European Union**	Exit from the European Union resulting in an economic downturn or recession impacting on the overall grant settlement, and causing an increased demand for welfare advice, additional housing benefit claims and processing times, reduced commercial rent income from tenanted non- residential portfolio, and lower council tax collection rates. Current EU funding may not be maintained by the UK government - this is specifically covered by risk EDS002.
	Current Controls:	Internal assessment and reporting to management and members on financial implications of UK exit from the EU. Quarterly Horizon Scan reports prepared from a range of information sources e.g. CIPFA updates, internet, news, Fraser of Allander Institute, Treasury Advisor and external events. Joint approach to reporting by Finance and Property Services and Planning, Economic Development and Regeneration. Economic Development maintains ongoing contact with local businesses. Brexit Working Group formed to consider Brexit risks

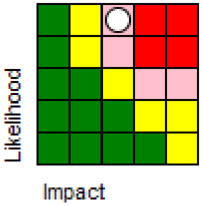
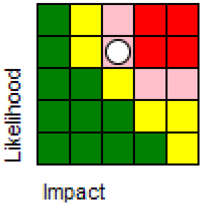
Risk Score	**Original Risk Matrix**	**Risk Score**	**Current Risk Matrix**	**Linked**	**Risk Actions**	**Original Due Date**	**Due Date**	**Progress**	**Description**
16		**12**							

⚠	**WM001 Increased costs in relation to the recycling of materials**	Fluctuations in the price of material processing, disposal, and recycling contracts, leading to additional costs in relation to the disposal of materials, and resulting in an overspend on budget. Price fluctuations may be caused by changes to legislation, such as the ban on the disposal of biodegradable municipal waste to landfill from 1st January 2021, or by economic policy changes overseas e.g. in China.
	Current Controls:	The service actively monitors the waste market and wider waste industry through networks and groups such as Chartered Institute of Wastes Management, Waste Managers Network, Zero Waste Scotland, Scottish Government, Scotland Excel etc. Within the individual waste contracts, regular monitoring meetings are held between Waste Services and the Procurement Unit to appraise the current state of the contracts and any pressures within them. External contractors are met with on a regular basis for contract performance monitoring meeting and the market situation is covered to ensure all parties are aware of the prevailing conditions. The service contracts awarded are usually done in a manner that allows for a framework of suppliers, to provide potential alternative outlets in circumstances of collapse, or to a sole supplier where there is a fall back call of contract available from the likes of Scotland Excel or similar. The service actively engages with the public through education and engagement activities as detailed in the service Communications Plan.

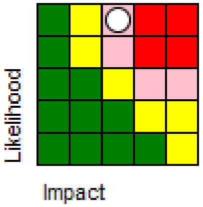
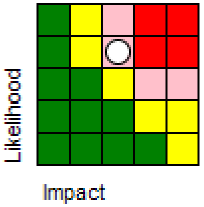
Risk Score	**Original Risk Matrix**	**Risk Score**	**Current Risk Matrix**
16		**12**	

Linked	**Risk Actions**	**Original Due Date**	**Due Date**	**Progress**	**Description**

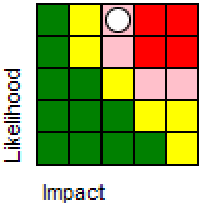
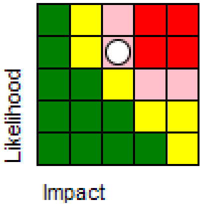
⚠	**CF001 Assault or injury to staff by service user within children's residential houses**	Incidents of violence by young people who reside at West Lothian residential units (Letham, Torcroft, Whitrigg and Newton) are caused by the vulnerability of the young people who are often impacted upon by their life experiences. This may make them react violently in some circumstances. This can result in situations where young people cannot control their behaviour and can result in hitting out at staff members who have to try and assist them to get themselves back under control. As a consequence staff can become injured or be affected by violence in a way that means they can become unwell due to the impact the violence has upon them.
	Current Controls:	Staff are trained and qualified where necessary in the use of de-escalation techniques that assist a young person to reduce levels of aggression. Policies and procedures are in place that detail how staff should react to instances of violence and aggression. Care staff must be qualified to an approved level and be registered with SSSC. Staff supervision is undertaken consistently in line with council wide and Social Policy policies. Placement process includes a requirement that adequate information is passed to residential staff to enable them to understand behaviours that may be presented by young people. Double cover used where necessary including active consideration of the need to higher ratios of staff cover. Staff trained in Social Pedagogy which is an approach that enables staff to work in a nurturing and proactive way with young people. Matching of young people to an appropriate placement through the Looked After Children managers group. Ongoing training in newer techniques reviewed regularly, including self-regulation training. Staff have received 'stressless' training and continue to receive this as necessary. Health and safety audits used as necessary to ensure all options are covered. Dedicated independent audit from Gallagher Bassett arranged to assist in learning Risk assessments are completed by managers in relation to young people. All violent incidents are recorded on Sphera and reviewed by the appropriate level of manager. All residential units are subject to annual inspection so external validation of effectiveness of interventions is undertaken. Thorough review of internal residential provision for young people is being undertaken.

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked	Risk Actions	Original Due Date	Due Date	Progress	Description
15		**12**							

	CPU001 Failure to deliver procurement plan	Corporate Procurement Unit staff resources are insufficient to deal with the volume of sourcing activity and deliver the procurement plan. These resource issues may be exacerbated by external factors such as Brexit as suppliers / contractors may fail to deliver goods / provide contracted services, either as a result of failure of the supply chain or going out of business, leading to additional work for the CPU in letting replacement contracts, and resulting in operational delays, external challenge or litigation, or failure to deliver best value.
	Current Controls:	Review of workplan and monitoring of progress. Regular progress meetings with services, either monthly or quarterly. Agreement with services on priorities and plan rebaselined where required. Procurement staff in attendance at Brexit Working Group. Comprehensive Brexit related risk register including procurement related risks.

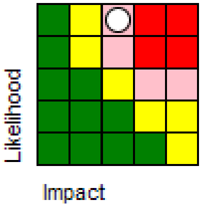
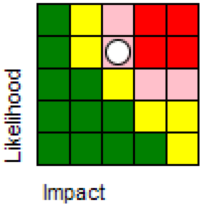
Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked	Risk Actions	Original Due Date	Due Date	Progress	Description
15		**12**		▶	CPU18005_Ar Procurement Toolkit	31-Dec-2018	31-Dec-2019	5%	Design and publication of standard templates for key process stages, e.g. scope of requirements, evaluations/scoring templates, letters, etc.
				▶	CPU18006_Ar Review of Standing Orders and Procedures.	31-Mar-2019	28-Dec-2019	40%	Full end-to-end revision of Standing Orders for Contracts and Procurement Procedures.

	ED004 Mainstream Schools: attacks on or violence towards staff	Physical and/or verbal violence from pupils, and parents of pupils, to members of staff working in schools, leading to injury or stress.
	Current Controls:	Behaviour Policy in place and applied/staff aware of policy Restricted access to schools for parents e.g. reception area only. Consideration of security factors when meeting with parents e.g. more than 1 member of staff present alternative meeting locations considered, campus security or police officer in attendance. Monitoring of incidents in schools. Raise awareness of staff on how to deal/report violent incidents in Sphera.

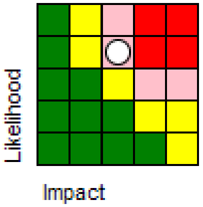
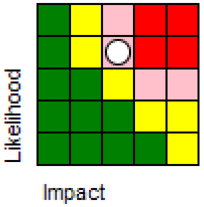
Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix
15		12	

Linked	Risk Actions	Original Due Date	Due Date	Progress	Description

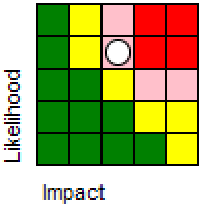
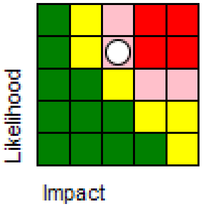
⚠	**ED005 Additional Support Needs (ASN) schools and units: attacks on or violence towards staff**	Physical and/or verbal violence from pupils to members of staff working in schools, leading to injury or stress. Due to the nature of the pupils placed in ASN schools and units attached to a mainstream school it is therefore more difficult to stop an incident occurring. There is also potential for physical or verbal abuse from parents/carers which may lead to injury or stress.
	Current Controls:	Raise staff awareness on now to deal/report violent incidents Health & Safety risk assessments undertaken Monitoring of incidents that take place Behaviour management policy in place Staff report incidents as required on Sphera.

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked	Risk Actions	Original Due Date	Due Date	Progress	Description
15		**12**							

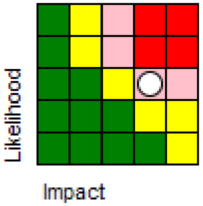
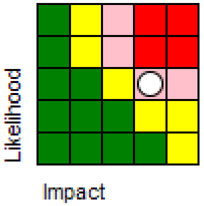
⚠	**CCOP001 Insufficient supply to meet service demands - care homes**	Insufficient supply to meet service demands arising from economic imbalance in the local market. Currently this risk is highest in respect of the market pressure related to Older Peoples services and this risk relates specifically to care homes. The risk also related to pressures around delayed discharge (one of the sources of pressure), also noted as a risk for the IJB (IJB011) The risk is closely monitored by the Social Policy Management Team.
	Current Controls:	Contract monitoring procedure. Regular reports to Contracts Advisory Group. Regular meetings with providers and Scottish Care. Escalation of high cost packages to Depute CE and Head of Finance. Review of contract rates. Joint Commissioning Plans. Close partnership working with St John's hospital and other NHS Lothian colleagues. Strategic Commissioning Plan for Older People. Frail Elderly programme.

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked	Risk Actions	Original Due Date	Due Date	Progress	Description
12		**12**							

⚠	**CCOP002 Insufficient supply to meet service demands - care at home**	Insufficient supply to meet service demands arising from economic imbalance in the local market. Currently this risk is highest in respect of the market pressure related to Older Peoples services and this risk relates specifically to care at home. The risk also related to pressures around delayed discharge (one of the sources of pressure), also noted as a risk for the IJB (IJB011) The risk is closely monitored by the Social Policy Management Team.
	Current Controls:	Contract monitoring procedure. Regular meetings with providers and Scottish Care Regular reports to Contracts Advisory Group. Escalation of high cost packages to Depute CE and Head of Finance Review of contract rates. Close partnership working with St John's hospital and other NHS Lothian colleagues Joint Commissioning Plans. Strategic Commissioning Plan for Older People. Frail Elderly programme. Project Board in place to develop new Care at Home Contract Additional investment to ensure robust monitoring

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix	Linked	Risk Actions	Original Due Date	Due Date	Progress	Description
12		12		▶	SP19002_Ari Develop new Care at Home Contract (FR1727)	14-Jan-2019	30-Sep-2019	60%	New Care at Home contract in place that provides required levels of service and is monitored appropriately.

⚠	**WLC004 Political uncertainty - impacting on service delivery**	Failure to plan effectively for major changes may result in an adverse impact on service delivery and financial performance. Political uncertainty relates to activity or changes in respect of: local government, Scottish government, UK government, European government, and other international political circumstances which may impact on the council. This risk is connected to risk WLC026 "Failure to effectively manage the impact on council objectives of exit from the European Union".
	Current Controls:	Timely response to government consultation. Lobby via COSLA and other appropriate forums. Plans / strategies in place for major anticipated changes. Performance management system. Quarterly horizon scanning reports to Policy Development and Scrutiny Panel.

Risk Score	Original Risk Matrix	Risk Score	Current Risk Matrix
12		**12**	

Linked	Risk Actions	Original Due Date	Due Date	Progress	Description

APPENDIX 2

RISK ASSESSMENT METHODOLOGY

PROBABILITY TABLE

1	Unlikely	Has not happened so far and is unlikely to happen.
2	Possible	Has happened to neighbours and could happen here.
3	Likely	Has happened in the past or can be expected to happen sometime.
4	Very Likely	Has happened within the last three years and can be expected to happen again.
5	Almost Certain	It has happened several times a year and can be expected to happen.

The table is based on past history or knowledge of problems elsewhere. These are easier to judge, but you may also consider 5 is relevant for "accidents waiting to happen"

In assessing original the absence of controls can be expected to result in an increased impact or likelihood. For example, an event assessed with current controls as possible, may be assessed with the absence of controls as likely or higher.

IMPACT TABLE

Impact Risk Assessment - Each column is independent. Use the highest score.

Hazard / Impact of Risk	Personal safety	Property loss or damage	Regulatory / statutory / contractual	Financial loss or increased cost of working	Impact on service delivery	Personal privacy infringement	Community / environmental	Embarrass-ment
Insignificant 1	Minor injury or discomfort to an individual	Negligible property damage	None	<£10k	No noticeable impact	None	Inconvenience to an individual or small group	Contained within service unit
Minor 2	Minor injury or discomfort to several people	Minor damage to one property	Litigation, claim or fine up to £50k	£10k to £100k	Minor disruption to services	Non sensitive personal information for one individual revealed / lost	Impact on an individual or small group	Contained within service
Significant 3	Major injury to an individual	Significant damage to small building or minor damage to several properties from one source	Litigation, claim or fine £50k to £250k.	>£100k to £500k	Noticeable impact on service performance.	Non sensitive personal information for several individuals revealed / lost	Impact on a local community	Local public or press interested
Major 4	Major injury to several people	Major damage to critical building or serious damage to several properties from one source	Litigation, claim or fines £250k to £1m	>£500k to £2m	Serious disruption to service performance	Sensitive personal information for one individual revealed / lost	Impact on several communities	National public or press interest
Catastrophic 5	Death of an individual or several people	Total loss of critical building	Litigation, claim or fines above £1m or custodial sentence imposed	>£2m	Non achievement of key corporate objectives	Sensitive personal information for several individuals revealed / lost	Impact on the whole of West Lothian or permanent damage to site of special scientific interest	Officer(s) and/or members dismissed or forced to resign

RISK MATRIX

PROBABILITY	Almost Certain 5	5 Low	10 Medium	15 High	20 High	25 High
	Very Likely 4	4 Low	8 Medium	12 High	16 High	20 High
	Likely 3	3 Low	6 Low	9 Medium	12 High	15 High
	Possible 2	2 Low	4 Low	6 Low	8 Medium	10 Medium
	Unlikely 1	1 Low	2 Low	3 Low	4 Low	5 Medium
		Insignificant 1	Minor 2	Significant 3	Major 4	Catastrophic 5
		IMPACT				

West Lothian Council

GOVERNANCE AND RISK COMMITTEE

INTERNAL AUDIT ANNUAL REPORT

REPORT BY AUDIT, RISK AND COUNTER FRAUD MANAGER

A. PURPOSE OF REPORT

To inform the Governance and Risk Committee of my opinion of the council's framework of governance, risk management and control.

B. RECOMMENDATION

It is recommended that the Governance and Risk Committee

- notes the annual report and my conclusion that the council's framework of governance, risk management and control is generally sound;
- refers my report to the Audit Committee for further consideration.

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Being honest, open and accountable, making best use of our resources.
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	The Local Authority Accounts (Scotland) Regulations 2014 require the council to conduct, at least once in each financial year, a review of the effectiveness of its system of internal control. The findings of the review must be considered either by the council or a committee of the council whose remit includes audit or governance functions. Following consideration of the findings of that review, the council or that committee must approve an annual governance statement. The Public Sector Internal Audit Standards (PSIAS) require that the chief audit executive delivers an annual internal audit opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control. This should be used by the organisation to inform its governance statement.
III	**Implications for Scheme of Delegations to Officers**	None.
IV	**Impact on performance and performance Indicators**	Weaknesses in the council's framework of governance, risk management and control are likely to have an adverse impact on performance.
V	**Relevance to Single Outcome Agreement**	Our public services are high quality, continually improving, efficient and responsive to local people's needs.

VI	**Resources - (Financial, Staffing and Property)**	None.
VII	**Consideration at PDSP**	None.
VIII	**Other consultations**	Governance and Risk Board, Head of Finance and Property Services, internal audit staff.

D. TERMS OF REPORT

The Public Sector Internal Audit Standards (PSIAS) require me to submit an annual report timed to support the annual governance statement. This must include an opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control, and a summary of the audit work from which the opinion is derived.

The Local Authority Accounts (Scotland) Regulations 2014 require the council or relevant committee to conduct, at least once in each financial year, a review of the effectiveness of its system of internal control. Following the review of the system of internal control, the regulations require the council or relevant committee to approve an annual governance statement.

The requirement for a review of the system of internal control is discharged by the submission of the annual internal audit report, which includes details of the risk based internal audit work undertaken during the year, and my audit opinion. The internal audit annual report for 2018/19 is attached as an appendix to this report.

As the Audit Committee's remit includes undertaking a corporate overview of the council's control environment, and monitoring the performance of the internal audit service, it is recommended that the internal audit annual report is referred to the Audit Committee for further consideration.

E. CONCLUSION

It is concluded that the council's framework of governance, risk management and control is generally sound.

F. BACKGROUND REFERENCES

Report to the Audit Committee 19 March 2018: Internal Audit Plan 2018/19

Appendices/Attachments: Internal Audit Annual Report 2018/19

Contact Person: Kenneth Ribbons – Kenneth.ribbons@westlothian.gov.uk Tel No. 01506 281573

Kenneth Ribbons
Audit, Risk and Counter Fraud Manager

Date of meeting: 17 June 2019

DATA LABEL: PUBLIC

West Lothian Council

INTERNAL AUDIT ANNUAL REPORT 2018/19

Audit, Risk and Counter Fraud Unit
17 June 2019

CONTENTS

	Section	Page
1.0	Introduction	1
2.0	Quality Assurance and Improvement Programme	1
3.0	Internal Audit Independence	2
4.0	Performance and Benchmarking	3
5.0	Internal Audit Work	3
6.0	Counter Fraud Work	4
7.0	Conclusion	4
	Appendix A: Performance Information Report	5
	Appendix B: CIPFA Benchmarking Club Results 2017/18	8
	Appendix C: Risk Based Audits 2018/19	9
	Appendix D: Audit Report Conclusion	10

1.0 INTRODUCTION

1.1. This report sets out the performance and activities of the internal audit function for the financial year ending 31 March 2019.

1.2. The Local Authority Accounts (Scotland) Regulations 2014 require that each local authority operates a professional and objective internal audit service. The council discharges this requirement by maintaining an in-house internal audit team.

1.3. Internal audit work involves reviewing controls within council systems, both financial and non-financial, based on an assessment of risk. The results of our internal audit work are reported to management who are, where appropriate, asked to complete and return action plans.

1.4. The internal audit plan for 2018/19 was approved by the Audit and Governance Committee on 19 March 2018.

1.5. Internal audit work is undertaken in accordance with the Public Sector Internal Audit Standards (PSIAS). The PSIAS are a mandatory set of standards which require that I deliver an annual internal audit opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control that can be used by the council to inform its governance statement. This opinion is included in section seven of this report.

2.0 QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME

2.1. The PSIAS require that a quality assurance and improvement programme is maintained. The objective is to determine whether the internal audit function complies with the PSIAS and produces audit work of an appropriate quality.

2.2. The main components of the quality assurance and improvement programme are:

- monthly team meetings and 1-1 meetings with staff;
- review of audit work by a more senior auditor;
- authorisation of audit reports prior to issue;
- a comprehensive set of targets and performance measures (see appendix A);
- consultation with customers at the conclusion of each audit;
- benchmarking arrangements, including the CIPFA benchmarking club (see appendix B);
- staff appraisal and development reviews (ADR) completed in accordance with corporate requirements.

2.3. The internal audit team, as part of the council's Audit, Risk and Counter Fraud Unit, also participates in the West Lothian Assessment Model (WLAM), which is a set of questions or statements that services use to identify their strengths and weaknesses and provide a structure for improvement. The Audit, Risk and Counter Fraud Unit was the subject of a WLAM assessment in December 2016. The outcome of the assessment was that the Unit was placed on Cycle 1 (return to the Review Panel in three years), which is a positive outcome. The Unit is due to return to the Review Panel in December 2019.

2.4. A self-assessment exercise has been undertaken against the requirements of the PSIAS. As reported in previous years, the self-assessment identified one non-conformance for which no action is proposed. There is a requirement that work programmes are approved prior to the commencement of an audit, and any adjustments to work programmes are documented and approved promptly. Internal audit staff are suitably qualified and experienced, and given the resource constraints within the audit team, I do not consider that this would add value.

2.5. In my opinion this non-conformance does not have a material impact on the scope or operations of internal audit, and I therefore confirm compliance with the PSIAS.

3.0 INTERNAL AUDIT INDEPENDENCE

3.1. The PSIAS require that internal audit activity must be independent and internal auditors must be objective in performing their work.

3.2. The PSIAS use the term "chief audit executive" to describe the person in a senior position responsible for effectively managing the internal audit activity. In the context of West Lothian Council, I am the chief audit executive as the council's Audit, Risk and Counter Fraud Manager.

3.3. The PSIAS require the chief audit executive to communicate and interact directly with the Audit Committee, and states that the chief audit executive must confirm, at least annually, the organisational independence of the internal audit activity.

3.4. Indicators of internal audit independence include:

- approval of the internal audit charter by the Audit Committee;
- approval of the risk based internal audit plan by the Audit Committee;
- the chief audit executive having direct and unrestricted access to senior management, the Chief Executive, the Chair of the Audit Committee, and the Audit Committee;
- the Audit Committee receiving reports from the chief audit executive on internal audit's performance relative to its plan, and other matters.

3.5. Paragraph B.2.4 of the council's Financial Regulations states that the internal audit function is free from interference in determining the scope of internal auditing, performing work, and communicating results.

3.6. Paragraph B.2.5 of the council's Financial Regulations states that the Audit, Risk and Counter Fraud Manager has the right of direct access to the Chair of the Audit Committee and the Chief Executive.

3.7. The organisational status and independence of internal audit is also set out in the Internal Audit Charter approved by the Audit Committee on 8 October 2018.

3.8. Accordingly, I confirm the organisational independence of the internal audit function.

4.0. PERFORMANCE AND BENCHMARKING

4.1. Appendix A sets out the internal audit team’s performance for 2018/19 based on performance measures held in Pentana, the council’s performance system. The 2018/19 internal audit plan has been completed.

4.2. Internal audit participates in benchmarking arrangements via the UK wide CIPFA benchmarking club and selected comparisons are set out in appendix B. We also participate in the CIPFA Directors of Finance performance indicators. In relation to the CIPFA Directors of Finance there are two indicators and the table below sets out internal audit’s ranking for 2017/18, the latest year for which benchmarking information is available.

P.I.	2017/18	Ranking (of 32 Scottish Councils)
Cost of internal audit per £1 million of West Lothian Council's net expenditure	£505	3
Percentage of planned productive audit days actually achieved for the year	102%	9

5.0 INTERNAL AUDIT WORK

Risk Based Audit

5.1. The PSIAS require that a risk based audit plan be prepared. The methodology for doing this is set out in the plan. In summary, audits are included within the plan on the basis of a review of the corporate risk register, consultation with the Audit Committee and senior managers, consideration of previous internal audit and counter fraud work, and knowledge of the council and its operations. Audits in the plan are, where possible, referenced to the corporate risk register. The risks in the corporate risk register link to corporate priorities and enablers.

5.2. Appendix C sets out the risk based audits undertaken during the year, together with the conclusion reached. Appendix D explains the conclusion.

5.3. During 2018/19 we identified two areas where we considered control was unsound. These were in relation to:

- the administration of information security breaches; this matter was reported to the Audit Committee on 25 March 2019. This audit links directly to risk WLC007 “Failure to prepare, or effectively deploy, up to date information security policy and procedures”.
- the administration of school medication; this matter is due to be reported to the Audit Committee on 24 June 2019. This audit links directly to risk ED008 “Errors or accidents when assisting pupils with administration of medication”.

5.4. In accordance with a protocol agreed with the Governance and Risk Board, all audit recommendations ranked as being of “high” importance are entered into Pentana as risk actions. These are followed up when marked as complete by the service in Pentana. Risk actions arising from internal audit reports which remained outstanding were reported to the Governance and Risk Board during the year and to the Audit Committee in June 2018 and January 2019.

Other Work

5.5. During the year we undertook planned audits of the council's Carbon Reduction Commitment (CRC) return and Climate Change Declaration.

5.6. We also provide advice to services in relation to matters of governance, risk and control. Services are encouraged to consult with us in relation to changes to procedures, and when implementing new systems.

5.7. Internal audit work is also undertaken for external organisations – West Lothian Leisure, the Improvement Service, and the West Lothian Integration Joint Board. During 2018/19 a total of 70 days was allocated to these bodies. These bodies are separate legal entities and the resultant audit reports are submitted to their audit committees.

6.0 COUNTER FRAUD WORK

6.1. The counter fraud work undertaken for 2018/19 is the subject of a separate annual report. On 25 March 2019 we reported to the Audit Committee on our investigation of allegations in relation to the provision of service by an external provider under the care at home contract. This investigation concluded that effective internal controls were not in place within Social Policy in relation to the monitoring of the levels of service being delivered. An action plan was agreed with management to address the findings in the report.

7.0. CONCLUSION

7.1. The PSIAS require that I deliver an annual internal audit opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control, that can be used by the council to inform its governance statement.

7.2. My opinion is based on:

- the internal audit work and counter fraud work undertaken during 2018/19, including follow up work;
- the work undertaken by Gallagher Bassett, the council's risk consultant;
- the work of the council's Governance and Risk Board, which includes a review of the governance compliance statements prepared by heads of service.

7.3. There were no limitations placed on the scope of the internal audit work.

7.4. I am of the opinion that the council's framework of governance, risk management and control is generally sound. Improvements in internal control are required in certain areas, principally those set out in paragraphs 5.3 and 6.1 of this report, and audit findings will be followed up during 2019/20 to determine whether agreed actions have been implemented.

Kenneth Ribbons
Audit, Risk and Counter Fraud Manager

APPENDIX A

Internal Audit - Performance Information Report

The information below sets out all public performance reporting and high level performance indicators, and selected other performance indicators.

Status	Performance Indicator	Current Target	2018/19 Value	2017/18 Value	2016/17 Value	2015/16 Value
✓	IA001_6a.1 Percentage of customers who rated internal audit's timeliness as good or excellent.	100%	100%	96%	100%	100%
✓	IA002_6a.2 Percentage of respondents who rated the service delivered by internal audit as good or excellent.	100%	100%	88%	100%	100%
✓	IA003_6a.3 Percentage of respondents who rated internal audit's communication as good or excellent.	100%	100%	96%	100%	100%
✓	IA004_6a.4 Percentage of respondents who rated internal audit staffs' attitude as good or excellent.	100%	100%	100%	100%	100%
✓	IA005_6a.5 Percentage of respondents who rated the professionalism of internal audit as good or excellent.	100%	100%	100%	100%	95%
✓	IA006_6a.6 Percentage of customers who consider they were treated fairly by internal audit.	100%	100%	96%	100%	100%
✓	P: IA008_6a.7 Percentage of customers who rated the overall quality of the service provided by internal audit as good or excellent.	100%	100%	96%	96%	100%

Status	Performance Indicator	Current Target	2018/19 Value	2017/18 Value	2016/17 Value	2015/16 Value
✓	IA009_6a.8 Percentage of respondents who rated the information provided by internal audit as good or excellent.	100%	100%	91%	100%	100%
✓	P:IA012_9a.1a Cost of internal audit per £1 million of West Lothian Council's net expenditure (CIPFA Director of Finance Indicator).	£460	£468	£505	£454	£568
✓	IA013_9b.1a Percentage of planned productive audit days actually achieved for the year (CIPFA Director of Finance Indicator).	100%	94%	102%	99%	96%
✓	P: IA014_9b.1a Percentage of audits in the annual audit plan completed for the year.	100%	100%	100%	100%	86%
✓	P: IA015_9b.1a Average length of time (in weeks) to issue draft audit reports.	10	9.2	8.8	10.4	9.9
✓	P: IA016_9b.1a Average length of time (in weeks) to issue final audit reports.	17	17.4	17.6	13.1	17.1
▲	IA051_7b.1 Cumulative percentage of sickness absence within the Audit, Risk and Counter Fraud Unit.	1.5%	1.65%	3.76%	1.24%	1.84%
✓	IA052_7a.1 Staff satisfaction with workforce planning.	87%	90%	90%	75%	96%
●	IA053_7a.2 Staff satisfaction with reward and recognition.	88%	75%	94%	86%	93%

Status	Performance Indicator	Current Target	2018/19 Value	2017/18 Value	2016/17 Value	2015/16 Value
✓	IA054_7a.3 Staff satisfaction with leadership and management.	83%	100%	100%	86%	89%
●	IA055_7a.4 Staff satisfaction with involvement and empowerment.	90%	75%	83%	76%	86%
✓	IA056_7a.5 Staff satisfaction with team work overall.	93%	100%	100%	100%	100%
✓	IA057_7a.6 Staff satisfaction with learning and development and performance.	84%	92%	89%	82%	89%
✓	IA058_7a.7 Staff satisfaction with equality and diversity.	91%	100%	83%	100%	100%
✓	IA066_6b.3 Total number of complaints received by Audit, Risk and Counter Fraud	0	0	0	1	0

Note:

Sickness absence, staff satisfaction and complaints performance indicators relate to **all** audit, risk and counter fraud staff.

APPENDIX B

EXTRACT FROM CIPFA BENCHMARKING CLUB RESULTS 2017/18

INTERNAL AUDIT

Measure	WLC	CIPFA Average	Variance
1. Cost per £million gross turnover	£227	£442	-£215
2. Chargeable days per auditor	187	176	+11
3. Cost per auditor	£59,300	£51,900	+£7,400
4. Cost per chargeable day	£313	£301	+£12
5. Average sickness days per auditor	1	7	-6
6. % qualified staff	67%	46%	+21%

Note: the CIPFA results for 2018/19 were not available at the time of writing. The final report is normally received in September of the following financial year.

APPENDIX C

RISK BASED AUDITS 2018/19

Audit	Reference	Audit Conclusion	Comment
Cyber Security	CS1802	Satisfactory	Reported to Audit Committee 24/6/19
IT Project Management	CS1803	Requires Improvement	Reported to Audit Committee 25/3/19
Financial Planning - Transformational Change	CW1801	Satisfactory	
Information Security	CW1802	Unsound	Reported to Audit Committee 25/3/19
Brexit	CW1803	Effective	Reported to Audit Committee 8/10/18
Community Asset Transfer	CW1804	Effective	Reported to Audit Committee 24/6/19
General Data Protection Regulation	CW1805	Requires Improvement	Reported to Audit Committee 25/3/19
System of Internal Control	CW1806	Effective	
Workforce Planning	CW1807	Satisfactory	Reported to Audit Committee 24/6/19
Welfare Reform	CW1808	Effective	Reported to Audit Committee 8/10/18
School Medication	ES1801	Unsound	Reported to Audit Committee 24/6/19
Accounts Payable	FE1801	Effective	Reported to Audit Committee 8/10/18
Corporate Debt	FE1804	Requires Improvement	
Fire Safety	HB1801	Satisfactory	Reported to Audit Committee 8/10/18
Grants to Voluntary Orgs	PE1801	Effective	
LEADER Funding	PE1802	Satisfactory	
Care Homes / Care at Home – Capacity and Management of Demand	SP1802	Satisfactory	
Scottish Social Services Council Registration	SP1803	Satisfactory	
Procurement - Business Case Exemptions (Follow Up)	CS1801	N/a	
External Placements (Follow Up)	SP1804	N/a	Reported to Audit Committee 25/3/19

APPENDIX D

AUDIT REPORT CONCLUSIONS

Overall Opinion	Definition
Effective	No recommendations ranked as ‘High’ importance. There may be a few ‘Low’ and ‘Medium’ recommendations.
Satisfactory	No recommendations ranked as ‘High’ importance. There are a moderate number of ‘Low’ and ‘Medium’ recommendations.
Requires Improvement	A few recommendations ranked as ‘High’ importance. There may also be a number of recommendations ranked as ‘Low’ and ‘Medium’ importance.
Unsound	A considerable number of recommendations ranked as ‘High’ importance resulting in an unsound system of control. There may also be a number of recommendations ranked as ‘Low’ and ‘Medium’ importance.

West Lothian Council

GOVERNANCE & RISK COMMITTEE

ANNUAL GOVERNANCE STATEMENT 2018/19

REPORT BY GOVERNANCE MANAGER

A. PURPOSE OF REPORT

To present the draft annual governance statement for approval.

B. RECOMMENDATIONS

1. To note and consider the annual compliance statements in Appendix 1
2. To approve the draft annual governance statement in Appendix 2
3. To note that the statement will form part of the council's unaudited accounts to be submitted to the external auditors before the end of June 2019
4. To authorise officers to make changes to the statement deemed reasonable and necessary prior to submission of the accounts for audit
5. To note the update on issues of concern identified in the annual governance statement and annual report for 2017/18 (Appendix 3) and that further updates will be reported to committee during the current year on those and issues identified in this year's statement

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Being honest, open and accountable
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	Legislation requires an annual governance statement to be approved and to form part of the unaudited accounts for submission and public inspection. The council's Corporate Plan 2018/23 identifies governance and risk as one of three co-ordinated enablers underpinning the delivery of the Plan's priorities and outcomes. Code of Corporate Governance.
III	**Implications for Scheme of Delegations to Officers**	None
IV	**Impact on performance and performance Indicators**	None
V	**Relevance to Single Outcome Agreement**	None

VI	**Resources - (Financial, Staffing and Property)**	Within existing resources
VII	**Consideration at PDSP**	Not required
VIII	**Other consultations**	Monitoring Officer; Governance & Risk Board; Corporate Management Team

D. TERMS OF REPORT

1 Background

1.1 The following statutory process applies to submission and approval of the council's accounts and financial statements:-

- The findings of the annual review of the system of internal control, covering financial and other controls, are reported to this committee for consideration and then to Audit Committee as part of the Internal Audit Annual Report

- An annual governance statement is approved by this committee, signed by the Chief Executive and the Leader of the Council, and then included as part of of the council's unaudited annual accounts

- The unaudited accounts are submitted by 30 June for audit and public notice by the council's Head of Finance & Property Services

- The audited accounts and external auditors' report are considered by full council before 30 September, approved for signature and publication and are referred on to this committee and Audit Committee for scrutiny of the parts within their respective remits

1.2 Annual compliance statements by senior officers in relation to key council corporate policies and procedures are in Appendix 1. The draft annual statement for 2018/19 is in Appendix 2. The draft annual governance statement does not include the committee and management structure charts referred to in it. Those will be added when the statement is signed and incorporated into the unaudited accounts.

2 Compliance statements

2.1 The annual compliance statements are designed to give the council and the public assurance about the operation of a range of key corporate policies. They cover:-

- Best Value Framework - Head of Finance & Property Services

- Procurement - Head of Corporate Services

- Fraud and Corruption - Head of Finance & Property Services

- Employee Whistleblowing - Head of Finance & Property Services

- Discipline and Grievances - Head of Corporate Services

- Occupational Health & Safety - Head of Corporate Services

- Protection of Vulnerable Groups - Head of Corporate Services
- Information Security - Head of Corporate Services
- Public Sector Equality Duty - Head of Corporate Services
- Breaches of the law - Monitoring Officer

2.2 Separate and stand-alone reporting is carried out annually on the Councillors' Code of Conduct, Freedom of Information and Data Protection, and on Covert Surveillance and Accessing Communications Data (RIPSA).

2.3 The conclusions in the compliance statements inform and complement the annual governance statement and reporting on meeting the standards in the Local Code of Corporate Governance. A report with these documents and the fully-assessed Local Code for the year will be made to Council Executive after the summer recess.

3 Annual governance statement

3.1 The draft statement has been prepared in accordance with the 2016 CIPFA/SOLACE Framework and accompanying Guidance for Scottish Authorities. It is based on activity across the council during the reporting year and on the key elements in the council's corporate governance arrangements: the findings of the review of the system of internal control; the Local Code of Corporate Governance; and the annual compliance statements. In particular, the draft notes the areas of concern identified in those documents and builds those into the elements of work to be addressed in the coming financial year. It takes into account comments made by the external auditors on last year's statement.

3.2 There is no statutory form or content for the annual governance statement. However, legislation requires the annual governance statement to be prepared in accordance with proper practices in relation to internal control. The preparation and publication of an annual governance statement in accordance with "Delivering Good Governance in Local Government: Framework (CIPFA/SOLACE) (2016)" fulfils these requirements. This is the format which has been used for the annual governance statements for the last two years and again this year.

3.3 Some of the characteristics of the annual statement drawn from that Framework are:-

- It enables an authority to explain governance arrangements and controls
- It should provide a meaningful but brief communication regarding the review of governance
- It should be high level, strategic and written in an open and readable style
- It should provide an assessment of the effectiveness of the authority's governance arrangements in supporting the planned outcomes
- It should contain an acknowledgement of responsibility for ensuring that there is a sound system of governance
- It should make reference to an assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment

- It should give an opinion on the level of assurance that the governance arrangements can provide

- Actions taken, or proposed to be taken, to deal with significant governance issues, should be mentioned

- There should be information as to how issues raised in the previous year's annual governance statement have been resolved

- There should be a conclusion and commitment to monitoring implementation

3.4 The Framework and Guidance contain a summary of the key elements and structures and processes that should inform and underpin the council's governance statement. These are all taken into account in the council's local code of corporate governance and so they are not described in detail in the annual statement or in this report.

3.5 Authority is sought to allow changes to be made by officers after committee approval and prior to submission of the annual accounts. Without that, no changes can be made to the version approved by the committee. That flexibility will allow things like formatting changes to be made should they be felt to be reasonable and necessary as the statement is incorporated into the accounts.

4 Governance issues from 207/18

4.1 Last year's annual governance statement identified issues to be addressed during 2018/19. Progress was reported to this committee in October 2018 and February 2019. An updated note of progress on those issues at the end of the reporting year is included in Appendix 3 for information. Reports on progress against those and the issues drawn out in this year's statement will again be brought to future meetings of the committee.

5 Consultations

5.1 Before concluding and signing the annual compliance statements the responsible officers consulted with colleagues in other services. The draft annual governance statement was considered at Governance & Risk Board on 23 May 2019 alongside the annual compliance statements and the draft internal audit report containing the findings of the review of the system of internal control. It was then reviewed by Corporate Management Team on 29 May 2019. Suggested changes were not significant and have been incorporated into this report and the draft statement.

E. CONCLUSION

Approval of the annual governance statement will enable the council to comply with its statutory duties in relation to its annual accounts and will help provide assurance to members in relation to the soundness of the council's corporate governance arrangements.

F. BACKGROUND REFERENCES

1 "Delivering Good Governance", Framework and Guidance issued by CIPFA and SOLACE (2016)

2 Governance & Risk Committee, 18 June 2018, 29 October 2018 and 25 February

2019

3 The Local Authority Accounts (Scotland) Regulations 2014 and related non-statutory guidance

Appendices/Attachments:	1. Annual compliance statements
	2. Annual Governance Statement 2018/19
	3. Updated progress report on governance issues 2017/18

James Millar, Governance Manager, 01506 281613, james.millar@westlothian.gov.uk
Julie Whitelaw, Monitoring Officer, 01506 281626, julie.whitelaw@westlothian.gov.uk

Date of meeting: 14 June 2019

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	Best Value Framework
Responsible Officer:	Donald Forrest – Head of Finance and Property Services
Stated Requirement In Code:	1. Annual statement of compliance 2. Review the Best Value Framework every administrative term
Report required by:	Corporate Management Team May 2019 meeting
Review Date	A revised Best Value Framework was approved at Council Executive on 10 June 2014
Report by the Head of Finance and Property Services on the operation of the policy during 2018/19	A revised Best Value Framework was approved by Council Executive on 10 June 2014. The Framework covers five areas of best practice and the following provides an update on the activities which were undertaken during the financial year 2018/19: 1. Financial Management – On 19 February 2019, Council approved the Revenue budget for 2019/20 to 2022/23 and the Council Tax level for 2019/20, the Housing Revenue budget and Rent Levels, the Housing Capital Investment Programme for 2019/20 to 2022/23, and the General Services Capital Investment Programme for 2019/20 to 2027/28. Activity budgets for 2019/20 were prepared for inclusion within service management plans. 2. Challenge and Improvement – The council operates a three-year programme of self-assessment, with 16 WLAM assessments taking place in 2018/19 (year two of the WLAM programme). 23 services were also subject to scrutiny through the Review Panel process and 16 through the Performance Committee. Eight corporate performance reports and two thematic performance reports were also scrutinised by this Committee. Schools have a programme of Validated Self Evaluation (VSE). In 2018/19 the council reported the outcomes of the inspection and VSE processes and other performance for 25 schools, with a progress update to the Panel from one school. The council retained Customer Service Excellence (CSE) following external assessment in 2018/19 and continues to hold European Foundation for Quality Management (EFQM) at five-star level following an external assessment in 2017. 3. Performance Management – The council has continued to undertake development work to improve the range, quality and accessibility of public performance reporting, including a Corporate Plan performance scorecard to track progress in our eight priorities. Scorecards for the council's key corporate strategies and management plans have also been developed in 2018/19 to enhance performance reporting arrangements. The council continues to promote the Local Government Benchmarking Framework (LGBF), publishing data and analysis on the council website when it is released. There was a review of performance reporting to Policy Development and Scrutiny Panels, with lead officers tasked with co-ordinating the development of performance arrangements (relative to the PDSP remit) in 2018/19 that would increase the effectiveness of scrutiny. The council continues to provide extensive quarterly and annual reporting of complaints analysis to officers, elected members, the Scottish Public Services Ombudsman (SPSO) and the public. 4. Governance and Accountability – The Audit, Risk and Counter Fraud Unit undertook a review of the council's system of internal control during 2018/19 and concluded that the level of control was effective. The Audit, Risk and Counter Fraud Unit report material findings arising from audits across the council to the Audit Committee. In addition, the Audit Risk & Counter Fraud Manager prepares an annual opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control, which is used to inform the council's annual governance statement. The annual governance statement is approved by the Governance and Risk Committee and included in the annual statement of accounts. 5. Procurement – All procurement activity is carried out in line with the Council's Standing Orders and Best Value Framework, European and national Procurement

	legislation. Any known non-compliance issues are included within the annual Procurement Compliance statement. The Framework requires officers to complete and retain a decision-making pro-forma based on criteria extracted from the legislation and statutory guidance relevant to Best Value when they decide to carry out works, projects or groups of projects via in-house delivery. These pro-formas were completed for both capital programmes and were agreed at the Housing Capital Reporting Meeting for the Housing Capital Programme on 23 January 2019 and at the Capital Asset Management Board for the General Services Programme on 31 January 2019.
Conclusions Drawn from Report	The Council has demonstrated compliance with the Best Value Framework in 2018/19.
Matters for Forward Periods	There is a requirement that the Framework is revised each administrative term. The last review was during 2014 and the next review will be in the five years following the local elections in 2017. It is proposed that the review will take place by the end of 2020/21 to allow for the conclusion of trading agreements as a result of Brexit which will impact on Procurement legislation and consequently Council Standing Orders.
Certificate by Head of Finance and Property Services	On the basis of the statements provided by the Heads of Service, I certify that the council's Best Value Framework was complied with in 2018/19.

Signature **Date** 24 May 2019

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure: Compliance with European Procurement Rules and Standing Orders for Regulation of Contracts and Corporate Procurement Procedures

Responsible Officer: Julie Whitelaw – Head Corporate Services

Stated Requirement in Code:

1. Annual Statement of Compliance
2. Review Policy every administrative term

Report required by: Corporate Management Team – May 2019 meeting

Review Date May 2020

Report by Corporate Services of Compliance with Regulations and Policy during 2018/19

In order to secure compliance for procurement activity, the council standing orders for contracts, which contain the procurement procedures, have been implemented across the council. These procedures provide guidance on how to procure and purchase goods, services and works while remaining compliant with European and Scottish Procurement Regulations (the Regulations).

A Corporate Contract Management System (CCMS) records and monitors all contract activity across the council. Details of contract start and end dates, spend values, supplier details and risk are examples of the information recorded and published for all spend greater than £5,000.

In February 2019, enquiries were made of all Heads of Services and the Corporate Procurement Manager to obtain a demonstration of compliance with EU procurement rules and with the Council's Standing Orders for supplies and services. During 2018/19 there was compliance with the large majority of contracts throughout the Council. Although, some issues were identified and these are set out below, we consider that there have been no material or significant breaches.

1. Housing Needs: There was a breach in Standing Orders in terms of an inability to secure contracts for Hotel or B&B accommodation provision to meet a statutory duty to provide homeless accommodation. This did not result in a breach of the Regulations. Housing Services will utilise the exemption in the Regulations relating to leasing of property and will work with private Sector landlords to lease properties directly from

them.

2. Education: There have been breaches of standing orders in relation to Pupil Equity Funding. Direct awards were made for 259 low value contracts with a total spend value of £1,093,796, within a previously agreed framework, outwith the Business Case Exception (BCE) process. The process is now under review and a Framework Agreement is being developed. These did not result in a breach of the Regulations.

3. Housing/Operations: Appointment of an external consultant requires prior approval by the Chief Executive. This had not been arranged prior to engaging a company, known as the Social Housing Consultancy ,at a cost of £15,000, but was rectified before they came on-site.

4. Social Policy: A 3 year support and maintenance contract for the existing SWIFT social care case management system was approved as a direct award by the Council. Although, this is compliant with Standing Orders, as the total contract value is £350,000, there is a breach in the Regulations. This was called out to Council Executive prior to the decision being taken to extend the contract.

Conclusions Drawn from Report

Regulatory compliance remained robust throughout 2018/19, with only a small number of instances wherein Standing Orders and the Regulations were infringed. In all cases, the reasons for non-compliance were fully investigated, and remedial training (where required) was delivered to the appropriate Service Manager(s).

Matters for Forward Periods

As part of the Transforming your Council activity internal procedures will be reviewed and updated to ensure appropriate guidance and support is provided.

Certificate by Head of Corporate Services

I certify that, upon enquiry, during the financial year under review, apart from the issues identified in this statement, the Council's officers have complied with EU procurement rules and the Council's Standing Orders for the Regulation of Contracts, and Corporate Procurement Procedures.

Signature

Date 11/6/19

DATA LABEL: OFFICIAL

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	Anti Fraud and Corruption Policy
Responsible Officer:	Donald Forrest – Head of Finance and Property Services
Stated Requirement in Code:	1. Annual statement of compliance 2. Review Anti Fraud and Corruption Policy every administrative term
Report required by:	Corporate Management Team May 2019 meeting
Review Date	The Anti Fraud and Corruption Policy was reviewed in 2015/16 and the revised policy was approved by Council Executive on 1 March 2016. The next planned review will be undertaken by September 2019.
Report by the Audit Risk and Counter Fraud Manager on the operation of the policy during 2018/19	All services have confirmed compliance with the Anti Fraud and Corruption Policy during 2018/19. Financial Regulations require all allegations of fraud to be reported to the Head of Finance and Property Services. The term fraud for this purpose includes, but is not restricted to, criminal offences such as theft, corruption, bribery, and embezzlement. The Audit, Risk and Counter Fraud Unit investigates referrals in accordance with the terms of the council's Anti Fraud and Corruption Policy and the procedures for the investigation of suspected fraud and irregularity. On 12 June 2018 the Council Executive approved the Internal Audit and Counter Fraud Strategy for 2018/19 to 2022/23.The Strategy was reported to the Audit Committee on 25 June 2018. Progress in relation to the implementation of the Strategy will be reported to both the Partnership and Resources Policy Development and Scrutiny Panel and the Audit Committee during 2019/20. The Audit, Risk and Counter Fraud Unit received 62 referrals during 2018/19 of which 18 were categorised as whistleblowing. Of the 62 referrals, 54 were accepted for investigation. The remaining referrals were either rejected due to a lack of evidence or passed to Human Resources to be dealt with under the council's HR policies. All referrals are subject to a risk assessment and work is prioritised on the basis of those referrals considered to be highest risk. The outcome of the whistleblowing referrals is set out separately in the council's Whistleblowing Statement of Compliance for 2018/19. The output from an investigation is a report for management setting out the facts of the matter and which contains, where considered appropriate, recommendations for improvement in control. Where an investigation is considered to raise significant issues of concern, the Audit, Risk and Counter Fraud Manager submits a report to the Audit Committee. During 2018/19 two investigations were reported to the Audit Committee, on 14 January 2019 and 25 March 2019. A report was made to Police Scotland in the former case. In the latter case, it was concluded that fraud had not been established. The Audit Risk and Counter Fraud Unit is responsible for administering the National Fraud Initiative (NFI) which is a biennial data matching exercise co-ordinated by Audit Scotland and which involves collecting data from public authorities and matching it for potential fraud. It is important to appreciate that a data match does not necessarily indicate wrongdoing. The most recent matches were received in January 2019 and progress in investigating matches will be reported to the Audit Committee. The annual counter fraud report for 2018/19, which sets out progress in delivering the 2018/19 counter fraud plan, and summarises counter fraud performance during the year, will be submitted to Audit Committee on 24 June 2019.
Conclusions Drawn from Report	It is concluded that the Anti Fraud and Corruption Policy is operating effectively.
Matters for Forward Periods	At its meeting on 25 March 2019 the Audit Committee approved a counter fraud plan for 2019/20. Progress in completing the plan will be reported to the Audit Committee.
Certificate by Head of Finance and Property Services	On the basis of the statements provided by services, and the information provided by the Audit, Risk and Counter Fraud Manager, I certify that the council's Anti Fraud and Corruption Policy has been complied with in 2018/19.
Signature	Donald Forrest **Date** 24 May 2019

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	**Disclosure of Information by Employees (Whistleblowing Policy & Procedure) and Code of Conduct for Employees**	
Responsible Officer:	Julie Whitelaw - Head of Corporate Services	
Stated Requirement in Code:	Annual Statement of Compliance	
Report required by:	Corporate Management Team	May 2019 Meeting Next report due May 2020

Report by Head of Corporate Services on Statements of Compliance with arrangements

Overview

The HR Policy & Advice team is required to keep the council's employment policies under continuous review and all policies must be reviewed at least once every 5 years to ensure that they continue to be 'fit for purpose'. Specific reviews are also undertaken in response to changing service requirements, developments in legislation and as part of the council's Equality Impact Assessment (EIA) process.

Annual Compliance Checklists

Services were issued with Annual Compliance checklists for the purposes of seeking confirmation of compliance with the Whistleblowing Policy and Code of Conduct for Employees (the latter in particular, relating to registered declarations of interest, disclosure of personal information and working with councillors).

All services have duly confirmed that they have arrangements in place to enable employees to report matters under the terms of the council's Whistle-Blowing Policy. Employees are reminded of those arrangements along with their responsibilities under the Code of Conduct through a variety of methods including induction, team meetings, one to one meetings and email reminders.

Protected Disclosures

Eighteen disclosure issues were reported to the Audit Risk & Counter Fraud team during 2018/19 as summarised in the table below:

Service Area	Number	Nature of Disclosures	Outcome
Finance & Property Services	2	• Mobile phone misuse • Fraud	• Mobile phone misuse - investigation passed to HR – not fraud policy related. • Fraud – investigation still in progress.
Housing,	8	• Theft (x2)	• Theft (1) - case

Customer and Building Services		• Data protection concerns (x3) • Fraud (x2) • Alcohol misuse	closed: no fraud/irregularity established • Theft (2) - case closed: allegation of theft upheld. This involved a member of the public and was referred to Police Scotland. • Data protection concerns (x3) - Investigations passed to HR – not fraud policy related. • Fraud (1) – case closed : no fraud/irregularity established. • Fraud (2) – investigation still in progress. • Alcohol misuse – Investigation passed to HR – not fraud policy related.
Operational Services	4	• Drug misuse • Fraud (x 2) • Mobile phone misuse	• Drug misuse - case closed: no fraud/irregularity established. Individual no longer employed by council. • Fraud (x 2) – investigations still in progress. • Mobile phone misuse. Investigation passed to HR – not fraud policy related.
Social Policy	1	• Fraud	• Case closed – no fraud/irregularity established.
Corporate Services	1	• Fraud	• Investigation still in progress.
Education	1	• Embezzlement	• Investigation still in progress.
Planning, Econ Dev & Regeneration	1	• Conflict of interest	• Case closed - individual no longer employed by council

Conclusions Drawn from Report	The Whistleblowing Policy and Employee Code of Conduct continue to be 'fit for purpose'.

Matters for Forward Periods	HR Services will continue to work with the Audit, Risk and Counter Fraud team and Legal Services to ensure that advice to services continues to be comprehensive, relevant and fully cognisant of the latest developments in employment law and equality legislation.	
Certificate by Head of Corporate Services	I certify that the council's existing policies and procedures in respect of whistle blowing are operating effectively and will continue to be monitored and reviewed regularly in keeping with Corporate Governance standards.	
Signature		Date 7/6/19

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	**1. Disciplinary Procedure and Code** **2. Procedure for Hearing Employee Grievances** **3. Policy and Procedure for Dealing With Complaints of Bullying & Harassment**	
Responsible Officer:	Julie Whitelaw– Head of Corporate Services	
Stated Requirement in Code:	Annual Statement of Compliance	
Report required by:	Corporate Management Team	May 2019 Meeting Next report due May 2020

Report by Head of Corporate Services on Statements of Compliance with arrangements

Overview

The HR Policy & Advice team is required to keep the council's employment policies under continuous review and to undertake a review of each policy at least once every 5 years to ensure that it continues to be 'fit for purpose'. Specific reviews are also undertaken in response to changing service requirements, developments in legislation and as part of the council's Equality Impact Assessment (EIA) process.

This compliance statement provides details of how the council's Disciplinary, Grievance and Bullying & Harassment processes have operated during 2018/19 together with measures for improving their effectiveness.

Analysis of Cases

During the financial year 2018/19, 60 cases were dealt with under the council's Disciplinary Procedures, double the number of cases in 2017/18.

During the same period, 19 cases were dealt with under the Procedure for Dealing with Employee Grievances, 8 more than the number recorded in 2017/18.

Three bullying and harassment cases were dealt with during 2018/19, four less than in 2017/18.

Service Area	**Number of Cases Dealt With**		
	Discipline	**Grievance**	**Bullying & Harassment**
Corporate Services	2	2	0
Education Services	7	4	0
Finance & Property	3	1	1
Housing, Customer & Building Services	14	2	0
Operational Services	20	7	2

Planning, Economic Dev. & Regeneration	1	0	0
Social Policy (CHCP)	13	3	0
Total	60	19	3

Discipline

Of the 60 disciplinary cases, 18 resulted in no formal disciplinary action being taken, 6 resulted in a Verbal Warning, 7 resulted in a Written Warning, 2 resulted in a Final Written Warning, 1 resulted in a final written warning with punitive action and 3 in dismissal. Five individuals resigned prior to the conclusion of the disciplinary investigation and 18 cases are ongoing.

Grievance

Of the 19 grievances, 6 were upheld, 2 upheld in part and 9 not upheld. One case was resolved informally and one resolved outwith the grievance process. The grievance resolved outwith the process refers to a case that was withdrawn at the start of the formal hearing.

In relation to other grievance matters, the council has 317 unlawful deductions of wages claims in respect of holiday pay lodged with the Employment Tribunal Service. Those claims are sisted pending the outcome of settlement discussions currently underway with the claimants' legal representatives.

Bullying & Harassment

Of the 3 formal Bullying and Harassment Cases, one has proceeded to the disciplinary process, one is ongoing and one case is closed due to the employees sickness absence and subsequent retirement.

Appeals to Committee Against Dismissal and Stage 3 Grievances

A total of 12 appeals/grievances were lodged at Stage 3 (Employee Appeals Committee). Of those 12 cases, 2 related to disciplinary matters one of which was not upheld and the other adjourned. There were 2 grievances cases which were both later withdrawn by the appellant. Seven cases were appeals against Sickness Absence dismissals, 2 cases were not upheld and one case upheld, one case was withdrawn by the appellant, one case adjourned and two cases were concluded following the appellants repeated failure to attend the hearing. One case related to a request for a career break and was later withdrawn by the appellant.

Employment Tribunal Cases

During 2017/18, 7 employment tribunal cases were lodged against the council.

Concluded Cases

One case relating to unfair dismissal and disability discrimination was withdrawn in its entirety.

Two equal pay claims were dismissed by the court.

Ongoing Cases

The following cases are ongoing:

	• one case relating to unfair dismissal and disability discrimination • one case relating to unlawful deduction, disability discrimination and other payments • two joint holiday pay claims
Conclusions Drawn from Report	The council's disciplinary, grievance and bullying and harassment policies and procedures are operating effectively and comply with legal and corporate governance standards.
Matters for Forward Periods	Measures will be taken to improve the effectiveness of the council's disciplinary investigation process including development of a Protocol for the appointment of investigating officers with particular emphasis on the quality of investigations and reducing the length of time to conclude investigations. HR Services will be working closely with Legal Services to ensure that advice to services continues to be comprehensive, relevant and fully cognisant of the latest developments in employment law and equality legislation.
Certificate by Head of Corporate Services	I certify that the council's existing policies and procedures in respect of discipline and grievance are operating effectively and will continue to be monitored and reviewed regularly in keeping with Corporate Governance standards.
Signature	Date 7/6/19

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	**Occupational Health and Safety Policy**	
Responsible Officer:	Julie Whitelaw – Head of Corporate Services	
Stated Requirement in Code:	Annual Statement of Compliance	
Report required by:	Corporate Management Team	May 2019
Review Date		May 2020

Report by Head of Corporate Services on Statements of Compliance with arrangements

The council's Health and Safety Policy sets out the framework for Health and Safety across the Council. It defines expectations and required arrangements to meet those expectations. The Health and Safety policy and the council's scheme of delegation sets out the roles and responsibilities of officers.

To provide practical assistance in the interpretation of legislation and implementation of the policy, an accompanying suite of guidance documents continues to be revised and developed. These are topic related guidance documents and address the identified hazards associated with the working practices of West Lothian Council. Services supplement these with procedural documents to reflect work activities and practices carried out within services.

Monthly Health and Safety update reports are provided to the Corporate Management Team to inform them of safety issues/ concerns that have or could affect the working arrangements and services of West Lothian Council.

Following a process of engagement between service risk champions, health and safety advisers, and the council's risk manager, the health and safety risks in the council's risk register were reviewed and updated in 2018/19. this was reported to Governance and Risk Board and to Governance and Risk Committee in February 2019 with the conclusion that the council has implemented robust monitoring processes within services to ensure that relevant health and safety risks are identified, reviewed and properly scored.

Incident data is included in the information provided to the Corporate Management Team including reportable incidents, incidents of note, near misses and incidents of violence and aggression that have occurred within the previous month.

Similar reports are also presented to the HR Programme Board, Governance and Risk Board and Governance and Risk Committee.

Health and Safety advisers provide monthly reports to each service management team highlighting service relevant issues and attend service management meetings on a minimum of a quarterly basis. The data analysis within these reports is also accompanied by recommendations for actions.

The Corporate Health and Safety Committee and service Health and Safety Committees meet on a quarterly basis to actively promote and support employee engagement on arrangements and matters pertaining to safety, health and welfare. Employee involvement and commitment is recognised as a key factor in the successful implementation of the Council's safety management system.

Services have recorded the continued use of the online safety management system in relation to incidents, risk assessments, audits and incident investigations. This integrated software solution promotes consistency in the management and control of health and safety information and assists services in demonstrating due diligence.

Within the review period Health and Safety have carried out 69 targeted safety audits. The focus in 2018-2019 was:

- Working at height activities
- Medication in schools
- Incident reporting and investigations in schools
- Legionella and hot water management

The findings and resulting action plans were agreed and subsequently provided to the relevant service. Copies of associated action plans are provided to the Head of Service. Audit actions identified as significant risks are created in Pentana and the Health and Safety team monitor progress by services against the audit action plans and identified risk actions.

There is a requirement for Health and Safety and statutory compliance to be a standing item on the agenda of all management team meetings.

During the course of the year there have been 37 reports made to the Health and Safety Executive (HSE) as per the requirements of the Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (RIDDOR) as shown in Table 1 below.

Table 1 – RIDDOR reportable incidents and formal enforcement action

HSE Reportable 2018/19 *(2017/18)	**RIDDOR reportable incidents to the HSE**	**HSE Notices/ Notification of Contravention / Fee For Intervention / Improvement Notice/ Fines**
Chief Executives Office	0	-
Social Policy	4	2(Notifications of Contravention and an Improvement Notice)
Corporate	0	-
HCBS	5	
Operational Services	16	-
Education Services	12	-
Finance & Property Services	0	-
PEDR	0	-
Total	**37 (39*)**	**2(1)**

	In July 2018 the Health and Safety Executive served formal notification of contravention and an Improvement Notice following the completion of a formal priority inspection at a care home. Action plans outlined required remedial actions to rectify identified issues. Most are now completed with the pursual of a centralised contract for the thorough examination of non-fixed lifting equipment under the requirements of the Lifting Operations and Lifting Equipment Regulations to be completed by Social Policy.
Conclusions Drawn from Report	The council's revised Health and Safety policy is operating effectively and will continue to be monitored and reviewed regularly in keeping with Governance standards.
Matters for Forward Periods	The Council will remain committed to further developing and embedding strong safety management practices throughout the organisation. Services should ensure there are clearly defined aims for health and safety outlined within their service health and safety action plans with defined actions and completion requirements. Appropriate planning will allow services to meet organisational objectives and ensure that individual service needs are identified, resources allocated and issues addressed.
Certificate by Head of Corporate Services	In order to complete this statement of compliance I have consulted with Heads of Service and received written confirmation of their service compliance with policies and procedures relating to health and safety. I certify that the existing Health and Safety policy is operating effectively and will continue to be monitored and reviewed in keeping with Corporate Governance Standards.
Signature	Date 7/6/19

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	**Protecting Vulnerable Groups**	
Responsible Officer:	Julie Whitelaw – Head of Corporate Services	
Stated Requirement in Code:	Annual Statement of Compliance	
Report required by:	Corporate Management Team	May 2019 Meeting
Review Date		Next report due May 2020

Report by Head of Corporate Services on Statements of Compliance with arrangements

The Protection of Vulnerable Groups (PVG) Scheme continues to be the means by which the council ensures that unsuitable individuals are not employed to work with vulnerable groups.

PVG Checking

During the period 1 April 2018 to 31 March 2019, the council submitted a total of 4239 PVG scheme membership applications for employees or prospective employees and volunteers in regulated work. Assessments are conducted and reviewed annually by services to ensure that 'regulated posts' to which the PVG legislation applies, are identified.

The 4239 applications processed comprise applications for employees and volunteers who are new to regulated work. The total also includes the routine 3 yearly re-checking of employees and volunteers who are already in regulated work with PVG scheme membership. The measures taken by the council ensure that all staff in regulated positions have up to date PVG records and that no new staff were permitted to start work in such positions during 2018/19 without the appropriate PVG clearance.

The table below shows a breakdown of the PVG applications across relevant service areas during that period:

	Education & Cultural Services	Community Health & Care Partnership	Other Service Areas	Total
Number of PVG Applications	2162	1950	127	4239
Percentage	51%	46%	3%	100%

Application of Policy and Procedure

During 2018/19 the PVG referral panel was convened once resulting in referral of the individual concerned to Disclosure Scotland.

The referral followed the dismissal of a School Crossing Patrol Guide for inappropriate comments towards a pupil and members of the public. The matter was dealt with as a Child Protection issue and was referred to Police Scotland.

It was the decision of the panel that the criteria for referral to Disclosure Scotland had been met. However, as the individual is no longer a council employee, the council will not be notified of the decision by Scottish Ministers as to whether the individual is listed for barring from regulated work as a result of the referral.

In discharging its statutory obligations under the Act, the council's actions demonstrate that the council's Policy and Procedure on the Protection of Children and Protected Adults is being actively and appropriately applied.

Annual Compliance Checklists

Services were issued with Annual Compliance checklists for the purposes of seeking confirmation of compliance with the Policy and Procedure on the Protection of Children and Protected Adults. All services have duly confirmed that they have arrangements in place to ensure compliance with the policy.

Policy Development

As noted in the 2017/18 compliance statement, a review of the PVG Policy was undertaken and a decision was taken to continue the practice of 3 yearly re-checking in line with Care Inspectorate best practice recommendations.

The following changes were also implemented from 1 October 2018 in order to effect approved budget saving measures:

- Teachers and professional staff (at salary band I and above) in regulated work in Education and Social Policy are now required to reimburse the cost of PVG updates as obtained every 3 years.

- Teachers and professional staff (at salary band I and above) new to regulated work in Education and Social Policy (or new to regulated work with a different client group) are now required on appointment to reimburse the cost of PVG scheme membership (£59 for new scheme members and £18 for existing scheme members).

Stakeholder Engagement

A Disclosure Scotland compliance audit was not carried out in 2018 as noted in the 2017/18 compliance statement, however Disclosure Scotland did undertake Stakeholder Engagement with the council.

This engagement process involved meeting with representatives from Disclosure Scotland to discuss any matters of concern or legislative developments. Highlights from the engagement process include:

- Disclosure Scotland noted that the council's error rate is 'very good' with most errors being put down to elements not fully within the council's control such as the information provided by prospective employees.

- Disclosure Scotland noted the 'effective and robust process' the council has in place to ensure compliance with the duty to refer. It was also noted that where referrals had been made, the referrals were examples of 'good referrals with good information supplied'.

- It was agreed that the council would make amendments to the recruitment process in relation to declaration of criminal convictions in line with recent legislative changes.

	• Disclosure Scotland noted the council's 'robust' policy for storage of disclosure information but requested that the council give consideration to the purpose of retaining vetting information after a recruitment decision has been taken.
Conclusions Drawn from Report	The council's arrangements for the protection of vulnerable groups continue to be robust and 'fit for purpose'.
Matters for Forward Periods	Going forward, the council will address the two points raised by Disclosure Scotland during Stakeholder Engagement in relation to declaration of criminal convictions and retention of vetting information.
Certificate by Head of Corporate Services	I certify that the robust arrangements are currently in place to ensure compliance with the Protection of Vulnerable Groups (Scotland) Act 2007.
Signature	Date 7/6/19

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure: **Information Security Policy**

Responsible Officer: Julie Whitelaw – Head of Corporate Services

Stated Requirement in Code: Annual Statement of Compliance

Report required by: Corporate Management Team — May 2019 Meeting

Next report due May 2020

Report by Head of Corporate Services on Statements of Compliance with arrangements

The Information Security Policy is maintained by Corporate Services who are responsible for the continuous development and review of the policy and supporting procedures. IT Services log, manage and report all breaches of policy and facilitate ongoing compliance across service areas.

During the 2018/19 financial year the following volumes of security incidents were recorded:

Category	2018-19		2017-18	
	Number	Percentage	Number	Percentage
Account Management / Configuration	7	1%	19	2%
Cyber Incident Investigation	13	3%	7	1%
Phishing Email / Virus / SPAM	449	88%	830	90%
Information Handling	34	7%	36	4%
Information Loss	0	0%	0	0%
Lost Equipment	5	1%	28	3%
Stolen Equipment	0	0%	1	0%
Totals	**508**	**100%**	**921**	**100%**

A total of 508 incidents in 2018/19 compares to 921 in the previous financial year. This constitutes an overall reduction of 45%.

Lost equipment, account management and configuration, and SPAM, Phishing or Malicious emails all saw significant percentage drops compared to the previous year. Account management has benefited from a closer working relationship with HR services and increased automation in the account provisioning process. It is anticipated that this will improve again once there is tighter integration enabled by the new HR and payroll system and the Active Directory Federation / Single Sign On (ADFS / SSO) authentication building block project is completed.

The reduction in the number of incidents categorised as SPAM/Phishing emails coincides with the council introducing the controls and processes advised by the National Cyber Security Centre (NCSC). These standards and configuration mean that more malicious and unwanted email is prevented from entering the council's systems demonstrated by the significant fall in reported incidents.

An increase in the number of Cyber Incident investigations has been attributed to improved awareness amongst staff of the risks associated with cyber incidents leading to more requests for investigation work.

The council was re-accredited for the Public Sector Network (PSN) Code of Connection in September 2018 and achieved Cyber Essentials Plus in August 2018. The Cyber Essentials Plus accreditation was notable for the fact that it included independent assessment across education as well as corporate networks.

IT services have maintained the contract for the secure destruction of IT equipment.

In march 2019 an internal audit report on Council wide information security was presented to Audit Committee. The report advised that the level of control was unsound. The high importance issues related to the IT Security Incident process, the Risk Assessment Process/Templates, Risk Assessment review and Accuracy and Completeness of Incident Reporting Data. An action plan has been developed and in January 2019 a data breach risk assessment workflow was introduced to address the issues identified in the audit report. This workflow sits within the Objective Content Management System and has replaced the paper based risk assessment process. The workflow sends alerts to the Data Protection Officer and the Chief Solicitor to ensure that a risk assessment is progressed quickly enough to allow an assessment as to whether the breach has been appropriately contained, or to assess whether the Information Commissioner's Office (ICO) requires to be informed of the breach. The workflow has already proved to be an effective process in terms of creating a full audit trail of the consideration of the data breach and an ability to consider and contain a breach in appropriate timescales.

Conclusions Drawn from Report

The council's existing policy and procedures in respect of Information Security are operating effectively. Adoption of emerging national standards and co-operation across the wider public sector proves beneficial in mitigating risks associated with cyber.

Matters for Forward Periods

The policy and supporting procedures will continue to be reviewed and publicised as part of the normal operation and development of the policy.

Certificate by Head of Support Services

I certify that the council's existing policies and procedures in respect of information security are operating effectively and will continue to be monitored and reviewed regularly in keeping with Corporate Governance standards

Signature

Date 7/6/19

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	**Public Sector Equality Duty**	
Responsible Officer:	Julie Whitelaw – Head of Corporate Services	
Stated Requirement in Code:	Annual Statement of Compliance	
Report required by:	Corporate Management Team	May 2019 Meeting Next report due May 2020

Report by Head of Corporate Services on Statements of Compliance with arrangements

The UK Government's Equality Act was introduced on 1 October 2010. The Act includes a positive duty to promote equality specifically focussed on public authorities.

The duty is in 2 parts - a duty in the Equality Act 2010 itself, often referred to as the 'general duty', and specific duties which are placed on most public authorities by Scottish Ministers. The purpose of the specific duties is to enable the better performance of the general duty.

The general duty in the Equality Act 2010 came into force on 5 April 2011. Since that date, Scottish public authorities have been subject to the general duty in the Equality Act 2010. Under this general duty they must have 'due regard' to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.

The Public Sector Equality Duty requires equality to be considered as part of the functions of public authorities, including decision-making, in the design of internal and external policies and in the delivery of services, and for these issues to be kept under review.

The specific duties require public authorities to:

- Report progress on mainstreaming the general equality duty;
- Publish equality outcomes and report progress;
- Assess new or revised policies and practices;
- Review existing policies and practices;
- Gather, use and publish employee information;
- Publish gender pay gap information;
- Publish an equal pay statement; and
- Consider award criteria and contract conditions in relation to public procurement.

During 2018/19 the Council's Impact Assessment process was reviewed and amended. The revised Integrated Impact Assessment takes account of the Socio Economic Duty which came into force in April 2018.

During 2018/19 the Council has continued to focus on legislative duty commitments in terms of mainstreaming equality into everything we do, with particular emphasis on actions to achieve our Equality Outcomes.

Key actions taken forward to achieve these commitments include: service specific engagement events with regard to Transformational Change, continued membership of the Stonewall Diversity Champions programme and ongoing consultation and engagement with community groups.

	The council is currently ranked by Stonewall Scotland within the top 200 employers in the UK having moved up 56 places from 248 in 2018 to 192 in 2019. Service representatives on the council's Corporate Working Group for Equality continue to take lead responsibility for coordinating service level activity and they are being further assisted by the introduction of Service Equality Champions.
Conclusions Drawn from Report	The council has continued to manage the implementation of the Public Sector Equality Duty within the required legal framework.
Matters for Forward Periods	In April 2019, the council published its Equality Mainstreaming Progress Report 2017-2019. The report sets out examples of the work which has been undertaken in the council to mainstream equality, advance equality of opportunity, tackle discrimination and promote good relations both within our workforce and the wider community. In addition the council published its Corporate Equality Outcomes Progress Report 2017-2019. The reports set out key actions that have been taken in working towards achieving the agreed outcomes by March 2021. An e-learning induction module covering equality and diversity will be mandatory for all new starts from 1 April 2019. The council will be required to publish a final Equality Mainstreaming and Outcomes Report for the period 2017-2021 on or before the end of April 2021. At the same time, there will also be a requirement to publish an Equality Mainstreaming and Outcomes Plan for the next four year period 2021 – 2025.
Certificate by Head of Corporate Services	I certify that arrangements are currently in place for compliance with the Public Sector Equality Duty.
Signature	Date 7/6/19

Local Code of Corporate Governance - Annual Statement of Compliance 2018/19

Name of Policy or Procedure:	**Breaches of the Law**	
Responsible Officer:	Julie Whitelaw – Head of Corporate Services	
Stated Requirement in Code:	Annual Statement of Compliance	
Report required by:	Corporate Management Team	May 2019 Meeting Next report due May 2020
Report by Head of Corporate Services on Statements of Compliance with arrangements	Having consulted with the Heads of Service, the Governance Manager, the Chief Solicitor and the Audit, Risk and Counter Fraud Manager I can confirm that I am not aware of any actual or potential breaches of the law by the council in 2018/19 which have or will have a material or significant impact on the operations of the Council . In the course of my consultation, a number of instances were identified where improvements to the Council's compliance with legislation were required. None of these breaches is considered to have a material or significant impact on the operations or finances of the council. Where such improvements were identified, steps have been, or are being taken to deliver them, as outlined in the other statements of compliance. Of particular note is the formal notification of contravention and an Improvement Notice served by the Health and safety executive in July 2018 following the completion of a formal priority inspection at a care home.. Action plans were developed and remedial actions to rectify the identified issues are being completed.	
Conclusions Drawn from Report	There have been no material or significant breaches of the law by the council in 2018/19 which have or will have a material or significant impact on the operations or finances of the council.	
Matters for Forward Periods	None	
Certificate by monitoring Officer	The Council is complying in all material respects with its legal requirements.	
Signature		Date 7/6/19

APPENDIX 2

DRAFT ANNUAL GOVERNANCE STATEMENT 2018/19

1 Corporate Governance

1.1 Corporate governance is the systems, processes, culture and values by which the council is directed and controlled, and the activities through which it is accountable to, engages with and leads the West Lothian community. It comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. To deliver good governance in the council, its governing bodies (full council and committees) and individual councillors and members of staff must try to achieve its objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

1.2 The council, through all 33 of its members, has overall responsibility for good governance arrangements – for establishing its values and principles and culture, for ensuring the existence and review of an effective governance framework, and for putting in place monitoring and reporting arrangements. In practice, the council to a large extent entrusts the delivery of those tasks to committees and to appropriate council officers. That delegation does not remove or avoid the responsibility of all the council's elected members for governance.

1.3 In the council's Corporate Plan 2018/19 to 2022/23 "Transforming Your Council" (13 February 2018) the place of corporate governance as an "enabler" is recognised and established. Along with risk management, financial planning and modernisation and improvement it is one of the essential back-office corporate services necessary to assist the setting, monitoring, achievement and reporting on corporate priorities and outcomes. The Corporate Plan acknowledges the wide understanding that good governance promotes good decision-making.

1.4 The governance framework is made up of corporate documents, policies and procedures which are designed to guide and assist the council in doing its business in accordance with the law and with proper standards and principles; ensuring that public money is safeguarded and used economically, efficiently and effectively; and fulfilling its statutory duty to secure best value.

1.5 All of the council's decision-making is carried out within the framework of its Standing Orders. They are made up of:-

- Standing Orders for the Regulation of Meetings governing the way council, committee and Policy Development & Scrutiny Panel meetings are arranged, convened and run
- Scheme of Administration containing the remits, powers and membership arrangements for all the bodies in the structure in which elected members are involved
- Scheme of Delegation to Officers setting out the responsibilities and powers allocated to senior officers by council and committee

- Standing Orders for Contracts and Corporate Procurement Procedures which control the council's procurement activity
- Financial Regulations which set the rules and procedures for financial, budget and treasury management

1.6 All these documents should be reviewed at least once in each administrative term. In practice they are reviewed continuously and refreshed on a more frequent basis as circumstances require.

2 Political structure and administration

2.1 Local government elections were held in Scotland in May 2017. West Lothian Council is a council of nine electoral wards and 33 councillors. Those elected were made up of 13 SNP members, 12 Labour members, 7 Conservative members and 1 Independent member. The Provost and Leader of the Council were elected in May 2017 and remain in position. A minority Labour administration was established and remains in place. The council's committee structure was re-established by June 2017.

2.2 Along with the Provost and Council Leader, eight Executive Councillors (portfolio holders in relation to council services) and chairs and vice-chairs of all other committees were elected. Senior councillor payments were agreed. Those appointments and payments remained unchanged at the end of 2018/19 except for small increases in rate of pay as a result of statutory regulations. The statutory annual report for 2018/19 on elected members' remuneration, allowances, expenses and training was made to Council Executive on 21 May 2019.

3 Management structure

3.1 The council's services are managed through its Executive Management Team, comprised of the Chief Executive, three Depute Chief Executives and the Head of Finance & Property Services. Those officers and 7 Heads of Service form the Corporate Management Team. Each service has a Senior Management Team and other managers and teams within its structure. The service management structure is shown below. Two Heads of Service posts fell vacant in 2018/19. Both were filled initially on an interim basis. One permanent appointment has been made and arrangements are in hand for a permanent appointment to the other through the Senior Officer Appointment Committee. One of the three Depute Chief Executives is retiring in 2019/20 and arrangements have been made and commenced amongst council, health board and the West Lothian Integration Joint Board, all of which have an interest in the appointment.

MANAGEMENT STRUCTURE CHART TO BE ADDED HERE

3.2 In addition to and linking across its service structure the council's management is carried out through Executive Boards, Project Boards and Working Groups with defined remits and membership to reflect the remit and aims of the body concerned.

3.3 The council in February 2018 established a Corporate Transformation Team, made up of senior council officers seconded from across its service areas. They are managed by a Depute Chief Executive and their task is the project management of the transformational change required to deliver on the council's Corporate Plan objectives and priorities and its long-term financial plan. The team's contribution and structure have been reviewed in 2018/19 and changes will be made in 2019/20 to help take forward the ongoing transformation of council services and delivery of budget reduction measures.

4 Decision-making and scrutiny arrangements

4.1 The council has a well-established framework of committees and working groups. The various bodies and their remits and powers are set out in the Scheme of Administration which is part of the council's Standing Orders. Standing Orders can only be changed at a meeting of full council. The committee structure is supported by a complementary Scheme of Delegations to officers which sets out the responsibilities and decision-making powers that council has delegated to officers. That too is part of Standing Orders and is updated every three months to reflect changes agreed at council and its committees.

4.2 The pre-existing committee structure was adopted following the local government elections in May 2017. It was reviewed thereafter, in particular as a result of actions agreed in response to the Best Value Assurance Report. Changes made in 2017/18 were reported in the annual governance statement for that year.

4.3 Other changes have been made in the course of 2018/19:-

- as a consequence of the Best Value Assurance Report, such as the strengthening of the scrutiny and reporting arrangements for West Lothian Leisure, the council's sole arms' length external organisation
- due to legislative change, through the establishment of two new committees to deal with asset transfer requests and reviews
- as a result of a Code of Conduct issue by the appointment of a pool of extra members for Development Management Committee and the Local Review Body to ensure both could continue to meet even where substantial numbers of members might have to withdraw from meetings

4.4 The structure in place at the end of 2018/19 is shown below. It consists of two main decision-making committees (Council Executive and Education Executive). Proposed policy changes are considered first at one of nine Policy Development & Scrutiny Panels (PDSPs). There are a number of regulatory and appeals committees. There is one local area committee for each ward to focus ward issues. Scrutiny is carried out through Audit Committee, Governance & Risk Committee, Performance Committee, Education (Quality Assurance) Committee and the nine PDSPs. Full council meets every 8 weeks to deal with reserved matters and political debate and scrutiny.

COMMITTEE STRUCTURE CHART TO BE ADDED HERE

4.5 On 13 February 2017 council instructed officers to carry out a review of its decision-making. That review started in mid-2018 by engagement with elected members and political groups. A number of potential changes were developed and refined through further discussion. The resulting proposals were reported to PDSP in August 2018 and then in October 2018 and January 2019. Some of the less significant suggestions have been taken forward separately through officers and through separate committee decisions. A report will be made to committee during 2019/20 to establish what potential changes should be pursued.

5 Audit Committee

5.1 The committee's remit includes undertaking a corporate overview of the council's control environment, developing an anti-fraud culture to ensure the highest standards of probity and public accountability, and evaluating the arrangements in place for securing the economical, efficient and effective management of the council's resources. It considers annual reports by the Audit, Risk and Counter Fraud Manager which provide an opinion and assurance on the overall adequacy and effectiveness of the council's control framework. It monitors the independence and effectiveness of the Audit, Risk & Counter Fraud Unit. It is given assurance in relation to non-internal audit functions managed by the Audit, Risk & Counter Fraud Manager through the internal audit manager of Falkirk Council. The committee includes one non-councillor member recruited for a three-year tenure. That member is entitled to the same papers and reports as councillor members of the committee and brings a different non-council and non-councillor perspective to the work of the committee. That member left during 2018/19 and arrangements are in hand to find a replacement, in parallel with a similar position on Governance & Risk Committee.

5.2 The committee meets four times each year. It operates through an annual work plan approved by the committee. Reports by the Audit, Risk and Counter Fraud Manager are presented and considered in public unless there is clear legal justification for excluding the public. The outcome of internal audit and counter-fraud investigations judged to be significant are reported. They express an opinion as to whether controls are satisfactory or require improvement. They set out improvement actions which have been agreed with relevant managers. The findings, actions and times for completion are presented for committee approval. The committee periodically receives a report by the Audit, Risk and Counter Fraud Manager in relation to agreed actions which have been reported to committee but which have not been fulfilled timeously. Reports highlighting more significant areas of concern will result in a follow-up report to the committee to give assurance to members that agreed actions have been completed or are on schedule for completion.

5.3 The committee deals with reports from the council's external auditors. It receives the External Audit Annual Plan which informs the council of the work to be undertaken in the course of the year, the views of the external auditors on the work of Internal Audit and the extent of additional risk-based external scrutiny through the Local Area Network. The external auditor's annual report on the council's accounts and financial statements are referred to the Governance & Risk Committee and Audit Committee by council after it approves the audited accounts for signature. Any actions identified are noted and are followed up through periodic reporting to committee on progress or completion.

5.4 The committee also considered reports issued by the Accounts Commission and/or Audit Scotland in relation to the council or local government as a whole. It can consider those reports from the councillors' perspective and recommend any action which it considers should be taken in response.

5.5 Arising from the Best Value Assurance Report the committee in 2081/19 carried out a self-assessment of its operation and considered the findings. The same exercise will be repeated each year.

6 Governance & Risk Committee

6.1 The committee's remit includes undertaking a corporate overview of the council's corporate governance and risk management arrangements, reviewing policies and practices in operation to ensure compliance with governance statutes, directions, standards and codes, developing a culture within the council of good corporate governance, risk awareness and risk management, and reviewing the council's strategy and systems for the management of risk and relevant reporting arrangements and ensuring they are adequate and cost effective. It considers reports from the Governance Manager and Audit, Risk & Counter Fraud Manager in relation to matters within its remit.

6.2 The committee meets at least four times each year. It operates through a work plan presented and updated at every meeting. It has received reports on a rota basis from services on their risk management arrangements. It considers a report at every meeting on the council's high risks and on health and safety incident reporting. It examines *ad hoc* risk and governance issues, such as cyber-security risks and Brexit. It now considers risk reports from the council's eternal risk advisers, Gallagher & Bassett. It is charged with approving the annual governance statement after considering the Audit, Risk and Counter Fraud Manager's review of the system of internal control.

6.3 Like Audit Committee, the committee conducts a self-assessment exercise to inform its development and progress. The same exercise will be carried out each year as part of the committee work plan. As with Audit Committee, arrangements are in hand to try to identify a non-councillor member of the committee.

7 Other scrutiny arrangements

7.1 The council deals with the remainder of its scrutiny function by members in three other places – Policy Development & Scrutiny Panels (PDSPs), Performance Committee and Education (Quality Assurance) Committee.

7.2 PDSPs are working groups of members and representatives from external community bodies. They consider quarterly performance reports from the service areas included in their remit. The reports are drawn from the council's well-established performance monitoring and reporting system (Pentana) and reports are presented with graphs, charts and RAG analysis together with explanatory commentary. Members and external representatives are able to question officers on service performance and make recommendations to them about improvement actions. Arising from the Best Value Assurance Report, financial performance reporting was incorporated to complement service delivery performance reporting to the PDSPs. Members therefore receive information on both aspects of performance against agreed indicators and outcomes.

7.3 The Performance Committee is established to consider the performance of service units against the council's performance appraisal system, the West Lothian Assessment Model (WLAM). It receives written reports presented at public committee meetings by senior service managers and can question them and make recommendations to them about improvement actions. The council's WLAM programme was refreshed in 2018/19 and Performance Committee made corresponding and complementary changes to the form and content of the reports it receive at the end of that WLAM process. The committee also scrutinises quarterly and annual reports on the council's complaints handling policy and performance. It consider the results of the local authority benchmarking review carried out annually in conjunction with the Improvement Service.

7.4 The Education (Quality Assurance) Committee carries out a scrutiny role solely in relation to schools' performance and internal and external assessment reports. The committee includes the non-councillor members appointed by the council in relation to its education function. Representatives from the relevant school's Parent Council are invited to attend and take part in the committee's meetings. It provides a dedicated and specialised forum for scrutiny of performance and inspection results for schools and educational establishments.

8 Code of Corporate Governance

8.1 The council's governance arrangements are now monitored and reviewed and reported in accordance with statutory requirements and under a Framework and Guidance for Scotland called "Delivering Good Governance in Local Government", produced by CIPFA/SOLACE in 2016. A new Local Code of Corporate Governance was accordingly adopted in April 2018 and was used for the first time in 2017/18 reporting.

8.2 The Code adopts the seven over-arching principles from the Framework:-

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social, and environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability

8.3 Each of those principles is broken down into sub-principles and then separate elements to allow a more focused approach to the components of each. A list of sources of evidence has been added and the council's actions and performance over the year are assessed to determine where the council exceeds, meets or fails to meet the required standards. Areas of concern are picked out and reported on through the annual reporting process. Actions are identified and allocated and progress monitored though committee.

8.4 The Code is used to inform the drafting and approval of the annual governance statement through the Governance & Risk Board and Governance & Risk Committee. It is reported on in detail to members at Council Executive in the autumn after consideration by the Corporate Management Team. It is then published and considered in more detail, with any recommendations from officers and Council Executive, and agreed actions are monitored throughout the rest of the reporting year.

8.5 The fully-populated Code for 2017/18 was part of the annual report on corporate governance to Council Executive in September 2018. It was included in the ensuing report to Governance &Risk Committee in October 2018. For the first time the governance issues were extracted for the committee's attention. That led to an update/progress report on those actions to the committee at its meeting in February 2019.

9 System of internal control

9.1 A significant part of the council's governance framework is its system of internal control (financial and other). It is an ongoing process designed to identify risks to the achievement of the council's objectives; to evaluate the likelihood of those risks occurring; to consider the potential impact of the risks; and to manage them effectively. Those controls can never eliminate risk or failure to achieve objectives entirely – they can only provide reasonable and not absolute assurance. The design, development and management of the system of internal control is undertaken by managers within the council.

9.2 The system of internal financial control is designed to provide assurance on the effectiveness and efficiency of operations and the reliability of financial reporting. It is based on a framework, which includes financial regulations and a system of management supervision, delegation and accountability, supported by regular management information, administrative procedures and segregation of duties. Its key elements include a documented internal control framework relating to financial processes, procedures and regulations; a comprehensive budgeting and monitoring framework; scrutiny of periodic and annual financial and operational performance reports; performance management information; and project management disciplines.

9.3 Reporting to members on the effectiveness of the system of internal control is a statutory requirement carried out by the Audit, Risk & Counter Fraud Manager in his Internal Audit Annual Report to committee in June each year. Its consideration precedes and informs this statutory annual governance statement which requires approval by the council through the Governance & Risk Committee and incorporation into the annual accounts and financial statements.

9.4 Following his review for 2018/19 his conclusion is that the framework of governance, risk management and control is generally sound. His high-level review of standing orders, policies, procedures and strategies led him to the conclusion that control was effective. Based on internal audit investigations and reports throughout the year he has identified areas where improvements could be made and confirmed that recommendations would be followed up and reported as required.

9.5 Three issues were identified in particular – ineffective controls in Social Policy in relation to a care at home contract; information security breaches; administration of school medication. All were reported to committee and actions agreed for implementation. The last of the three issues is due to be reported to Audit Committee in June 2019.

10 Compliance statements

10.1 A set of compliance statements is produced to sit alongside the Code and also inform the drafting and approval of the annual governance statement. They deal with compliance with the law and with the council's corporate policies, procedures and practices of significance to good governance. They are prepared after consultation with services and senior officers and take into account oversight by external bodies of the council's compliance. They are signed by the responsible senior officer. They are designed to bring to the attention of elected members any incidents of non-compliance which are significant to the council's operations and which are not reported elsewhere in a systematic way. The compliance statements for 2017/18 were reported in full to Council Executive and then Governance & Risk Committee in September and October 2018 as part of the reporting on corporate governance arrangements.

10.2 They cover the following areas of activity:-

- Best Value Framework - Head of Finance & Property Services
- Procurement - Head of Corporate Services
- Fraud and Corruption - Head of Finance & Property Services
- Employee Whistleblowing - Head of Finance & Property Services
- Discipline and Grievances - Head of Corporate Services
- Occupational Health & Safety - Head of Corporate Services
- Protection of Vulnerable Groups - Head of Corporate Services
- Information Security - Head of Corporate Services
- Public Sector Equality Duty - Head of Corporate Services
- Breaches of the law - Monitoring Officer

10.3 The statement by the Monitoring Officer is particularly important since the Monitoring Officer is one for the four statutory officer posts charged with ensuring the council's compliance with its statutory duties and responsibilities and reporting on any breaches of the law which are significant to the operation of the council. Although the statement confirmed that there were examples of failure to comply with some statutory requirements, none of those, singly or together, was significant enough to have any effect on the effective operation of the council. The Information Security Statement confirmed that improvements had been made in response to adverse findings in Internal Audit reporting, in particular the use of Objective work flows to monitor and control data breaches. The development of an over-arching information government policy and review of supporting procedures will assist as well. Some of the policies underlying the compliance statements will be subject to their periodic review in the remaining years of this administrative term.

10.4 Separate and stand-alone reporting is carried out annually on the Councillors' Code of Conduct, Freedom of Information and Data Protection, and on Covert Surveillance and Accessing Communications Data.

11 Officer activity

11.1 The council is required by legislation to operate a professional and objective internal audit service. The Audit, Risk and Counter Fraud Unit includes internal audit which is an independent appraisal function which examines and evaluates systems of financial and non-financial control. Internal audit operates in accordance with the "Public Sector Internal Audit Standards: Applying the IIA International Standards to the UK Public Sector" (PSIAS). The Internal Audit Charter was reviewed during the year and approved at Audit Committee. An annual audit plan is prepared based on an assessment of risk and is approved by the Audit Committee. Internal audit reports are issued to the committee in relation to the outcome of significant proactive and reactive reports. Reports are issued in the name of the Audit, Risk and Counter Fraud Manager who has the right, when deemed necessary, of direct access to the Chief Executive. There is annual reporting to the committee of internal audit activities and to give assurance about the independence, effectiveness and soundness of the service. An interim report is brought to committee during each year to advise of progress towards completion of the Plan. An Internal Audit and Counter Fraud Strategy 2018/19 to 2022/23 was approved in June 2018 as one of the corporate strategies supporting delivery of the Corporate Plan. An annual report on progress against agreed outcomes will be made to Audit Committee each year.

11.2 Legislation requires the council to appoint a Chief Financial Officer. That role is to be performed conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). It sets out the requirement for the Chief Financial Officer to be professionally qualified and sets out the criteria for qualification. The council's Head of Finance & Property Services is the council's Chief Financial Officer. He operates in accordance with the council's Financial Regulations and Treasury Management Plan, and reports regularly to members on revenue and capital budgetary performance and compliance. The role is undertaken in accordance with the relevant statutory rules, guidance and standards. Treasury Management reports are made to full council twice each year. A new requirement for approval of and reporting on a capital asset management strategy was met in March 2019. The Scheme of Administration will be amended accordingly.

11.3 Risk Management is overseen by the Audit, Risk & Counter Fraud Manager. It is embedded at Executive and Corporate Management team level as well as in service management teams across the council. Management teams monitor, assess and mitigate risk as a matter of routine at their meetings. The process is managed through Pentana. A Risk Management Strategy 2018/19 to 2022/23 was approved in June 2018 as one of the corporate strategies supporting delivery of the Corporate Plan. An annual report on progress against agreed outcomes will be made to Governance & Risk Committee each year.

11.4 The council's counter fraud activities are managed by the Audit, Risk & Counter Fraud manager. The service is operated in accordance with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (2014). The unit is responsible for the council's whistleblowing hotline and for dealing with information from there and other sources relevant to fraud or corruption. It also administers the council's participation in the National Fraud Initiative. An Internal Audit and Counter Fraud Strategy 2018/19 to 2022/23 was approved in June 2018 as one of the corporate strategies supporting delivery of the Corporate Plan. An annual report on progress against agreed outcomes will be made to Audit Committee each year.

11.5 The Audit, Risk & Counter Fraud Manager presents annual plans for each of these three services to committee in February/March each year for approval. He presents a year-end report for each and interim reports for audit and counter fraud, summarising activity, performance and completion on the annual plans. The council's external audit and Best Value Assurance Reports commented on the potential for conflict of interest where these services are managed by the same officer. The council's response was that the risk was recognised and mitigated by management who ensured that the risk management process is audited externally as part of a partnership arrangement with another council. The view of the council's Corporate Management Team is that the arrangements for management of risk have improved significantly since responsibility for risk was combined with internal audit. Independence is assured through a different council's internal audit service.

11.6 Governance and risk management are supervised on the officer side of the council by the Governance & Risk Board. It is chaired by a Depute Chief Executive and its members include the Monitoring Officer, the Audit Risk and Counter Fraud Manager, the Governance Manager, the Chief Solicitor and senior managers from across the council's service areas. It receives reports from officer working groups on risk and corporate governance, and monitors corporate and high risks. It considers the annual report on corporate governance and the compliance statements before they are presented to committee. It provides an effective control and conduit for risk and governance issues and matters of concern.

11.7 Management teams also routinely monitor their performance through Pentana, utilising the high-level performance indicators which are reported publicly as well as lower level management performance indicators. Services are divided into WLAM units which report on an agreed cycle to a panel chaired by the Chief Executive. It considers the evidence presented and allocates a score. The service unit then proceeds to report to the Performance Committee.

12 External reports

12.1 The actions arising from the Best Value Assurance Report were completed timeously in 2018/19. Their completion was reported to Audit Committee in October 2018. Consideration and scrutiny of the council's continuing delivery of best value will be undertaken through the council's external auditors who have set out a scrutiny plan for a five year period.

12.2 The external auditors' annual report was considered at council in September 2018 and referred on to Audit Committee and Governance & Risk Committee for further scrutiny. The auditors' report did not identify actions to be addressed during 2018/19. It highlighted a concern in relation to financial sustainability. However, that arose based on a national assessment of risk to all councils, and not from the council's own financial planning arrangements. Those were described as an example of good practice in the report.

12.3 The Local Scrutiny Plan 2019/20 was a work in progress when the external audit plan for 2019/20 was reported to Audit Committee in March 2019. The conclusion of the shared risk assessment for 2018/19, was that no significant risks were identified that would require specific scrutiny by members of the LAN in the year.

13 Matters of concern from 2017/18 – progress and completion

13.1 The annual governance statement for 2017/18 listed areas where work in relation to corporate governance would be focused. Those were highlighted separately to Governance & Risk Committee in October 2018 and an interim report on progress was made to that committee in February 2019. No concerns were expressed or additional actions identified at either meeting. Those issues will also be reported to committee as part of the annual report on corporate governance. It will include a note of the position in February 2019 and an up-to-date commentary.

13.2 Of the 12 issues listed, 6 have been completed and the other 6 are ongoing. They will be carried forward into 2019/20 and progress will continue to be reported. None of those which are still to be completed present any significant risk to the council.

14 Governance issues arising in 2018/19

14.1 Internal Audit and Counter Fraud investigations identified a number of activities in which control was unsound or required improvement. Those were reported to committee with actions agreed and timetabled. They were summarised in the Internal Audit and Counter Fraud Annual Reports and in the review of the system of internal control. They will be followed up during 2019/20 in accordance with committees' decisions.

14.2 An Internal Audit and Counter Fraud Strategy and a Risk Management Strategy were approved during the year as part of the suite of corporate strategies supporting the Corporate Plan. Annual progress reports will be made to Audit Committee and Governance & Risk Committee respectively.

14.3 Governance & Risk Committee continued its scrutiny of risk arrangements through standing reports on high risks, health and safety risks, corporate risks and Brexit-related risks.

14.4 Interim progress reports were made to Governance & Risk Committee on the issues identified in the annual governance statement for 2017/18.

14.5 The Accounts Commission report on ALEOS was considered by Audit Committee in the context of the council's compliance with its recommendations in its relationship with West Lothian Leisure, its only ALEO. The committee considered that the council's arrangements were robust and met the Commission's recommendations.

14.6 Audit Scotland's report on Progress in Health and Social Care Integration was also considered since it contained recommendations for councils as well as Integration Joint Boards.

14.7 The governance arrangements for the Edinburgh and South East Scotland City Region Deal were finalised, through the establishment of a joint committee with a supporting structure of groups and forums beneath it.

14.8 The Scheme of Devolved School Management was reviewed and updated.

14.9 The council established its position in relation to the local governance review led jointly by the Scottish Government and COSLA.

14.10 Community Planning partnership structures and governance arrangements were developed further, with the establishment of new themed forums, notably the Anti-Poverty Task Force.

14.11 The Scheme of Administration was amended to reflect decisions at full council on setting up new committees for asset transfers and ensuring the effective administration of Development management Committee and Local Review Body.

15 Matters to be considered in 2019/20

15.1 The further development and the implementation of community empowerment measures will be significant. Progress has been made with Participation Requests and Asset Transfers. Proposals for Community Choices will have to have appropriate regard to Following the Public Pound whilst complying with the legislation and meeting community aspirations.

15.2 The ongoing review of the council's decision-making arrangements will be concluded and reported.

15.3 Many of the documents which comprise the system of internal control require to be reviewed before the end of this administrative term. Some of those are already timetabled for review (e.g., Best Value Framework, Anti-Fraud and Corruption Policy) but the scheduling of the others for review should be started. In particular a complete revision of Standing Orders for Contracts should be undertaken to build on the review and update carried out this year.

15.4 In light of financial pressures and the departure of its Chief Executive, the council's relationship with West Lothian Leisure will require to be kept under review and its performance monitored and reported to ensure the ALEO arrangement continues to be the best option for service delivery and best value.

15.5 The council's position on the review of local governance being conducted jointly by the Scottish Government and COSLA will have to be developed and progressed as the review enters its next stages, even if legislation in this Parliamentary term now seems unlikely. There remains the potential for major changes to decision-making arrangements, especially at community level.

15.6 The momentum gathered in relation to members' training arrangements should be continued through the Officer Working Group and continuing engagement with members.

15.7 The relationship with the Integration Joint Board should be developed and progressed in light of the recommendations made in four separate external reports relating to health and social care integration.

15.8 Progress reports and scrutiny of performance will be required on the suite of corporate strategies approved in June 2018 in support of the Corporate Plan.

15.9 The three issues of significant concern arising from the review of the system of internal control should be brought to a conclusion via follow up reports and monitoring of agreed risk actions.

15.10 The restructuring of the community planning partnership will continue with its review of the Local Outcomes Improvement Plan.

15.11 The Councillors' Code of Conduct will be reviewed through the Scottish Government and Parliament this year, and the council should participate in that process and plan for training and education on the revised Code and guidance.

15.12 The issues from 2017/18 which are not yet completed should be brought to conclusions.

15.13 These issues will be reported to Governance & Risk Committee for it to have sight of progress during the year.

16 Conclusion and assurance

16.1 Based on the governance framework, arrangements and review already described, the council and the West Lothian community can be assured that the council's corporate governance standards have been substantially met in 2018/19.

APPENDIX 3

PROGRESS ON ISSUES IDENTIFIED IN ANNUAL GOVERNANCE STATEMENT 2017/18

ANNUAL GOVERNANCE STATEMENT – JUNE 2018		GOVERNANCE &RISK COMMITTEE, INTERIM REPORT – FEBRUARY 2019	GOVERNANCE & RISK BOARD FINAL REPORT – MAY 2019
16.1*	The development and the implementation of community empowerment measures will be significant. Proposals for Community Choices will have to have appropriate regard to Following the Public Pound whilst complying with the legislation and meeting community aspirations.	Council Executive, funds to be allocated through Community Choices with approach to be developed in conjunction with appropriate service areas, partners and key stakeholders and practice Asset Transfer Committee established, open for business. First annual report due for 2018/19. Participation request annual report for 2017/18 published. Decisions available on council website	Asset Transfer Policy and Procedure and Surplus Property Procedures approved 28 November 2017. Required committees established 4 May 2018. Committee members' training delivered. First application at committee on 2 April 2019. Asset transfer Request Annual report due by 30 June 2019. Participation Request Annual Report 2017/18 approved in September 29018. Participation Request Annual Report 2018/19 due by 30 June 2019. Community Choices under development and scheduled for reporting to PDSP and committee in 2019/20. Ongoing.
16.2	The review of the council's decision-making arrangements will be concluded and reported. The impact of council business and governance will require to be kept under review.	Further attendance at P&R PDSP on 1 February 2019. Additional information to group leaders. Due to report to committee in February or March	Reported again to P&R PDSP in February 2019. Some proposals implemented in March 2019 at Council Executive when calendar of meetings approved. Amendments made to Scheme of Administration as and when required for other statutory reasons and council decisions pending finalisation of process. Due to be reported to committee early in 2019/20. Ongoing.
16.3	Actions from the external audit report and Best Value	No update required – reported in October as fully complete	Actions agreed and fully implemented. Confirmed to Audit Committee on 8 October

ANNUAL GOVERNANCE STATEMENT – JUNE 2018		GOVERNANCE &RISK COMMITTEE, INTERIM REPORT – FEBRUARY 2019	GOVERNANCE & RISK BOARD FINAL REPORT – MAY 2019
	Assurance Report will require to be concluded and then implemented. These include the review of corporate financial and service reporting information and the involvement of members in future years in setting council priorities and in budget reduction measures.		2018. Completed.
16.4	The council's relationship with West Lothian Leisure will require to be kept under review and its performance monitored and reported to ensure the ALEO arrangement continues to be the best option for service delivery and best value.	Meetings between officers and through West Lothian Leisure Advisory Committee continue Where required, decisions taken at Council Executive	Actions agreed following Best Value Assurance Report all implemented via West Lothian Leisure Advisory Committee, Council Executive and full council. Scheme of Administration amended in May 2018. Report to Audit Committee on 8 October 2018 (on Audit Scotland's Follow Up Report on ALEOs) confirmed satisfactory arrangements in place. Reporting arrangements implemented. Completed.
16.5	The council's position on the review of local governance being conducted jointly by the Scottish Government and COSLA will have to be developed and established through the PDSP and committee structure.	Council's submission finalised at Council Executive on 4 December 2018 and submitted. Future participation when progress made by COSLA and Scottish Government on consultation responses and developing next steps	Council's position established at committee in December 2018 and submitted to the Scottish Government. COSLA consideration, in partnership with the Scottish Government, continues. Scottish Government unlikely to legislate in this parliamentary term. Further contributions to further consultation will be made when required. Ongoing.

ANNUAL GOVERNANCE STATEMENT – JUNE 2018		GOVERNANCE &RISK COMMITTEE, INTERIM REPORT – FEBRUARY 2019	GOVERNANCE & RISK BOARD FINAL REPORT – MAY 2019
16.6	Arrangements for members' training will continue to be kept under review and discussion.	Members' training days continue to take place as timetabled. Sessions arranged on an ad hoc basis (e.g., scrutiny, Code of Conduct) Officer Working Group established amongst HR L&D, Member Services and Governance Manager. Members' survey being developed following which further engagement with members is planned Next calendar of meetings to be approved at Council Executive on 26 March 2019 will include members' training days again	List of Approved Duties amended in March 2019 to reflect earlier decision about attendance at statutory body training sessions. Four members' training days reserved in Calendar of Committee Meetings for 2019/20. E-survey of all members on training needs carried out in March/April 2019. Officer meetings with political groups on training planning. Officer Working Group will engage again with results of survey. Conclusions to inform ongoing training arrangements. Ongoing.
16.7	The reporting on corporate governance using the new Local Code will be reviewed.	Members' training days continue to take place as timetabled. Sessions arranged on an ad hoc basis (e.g., scrutiny, Code of Conduct) Officer Working Group established amongst HR L&D, Member Services and Governance Manager. Members' survey being developed following which further engagement with members is planned Next calendar of meetings to be approved at Council Executive on 26	First use of new Local Code of Corporate Governance in 2017/18. Used to inform review of system of internal control and annual governance statement. Report to Council Executive in September 2019 included full populated version of the Code. Full version also reported to Governance & Risk Committee in October 2018 along with a summary of the issues raised in the annual governance statement. Further interim progress report to Governance & Risk Committee in February 2019. No issues or concerns with Code or reporting identified.

ANNUAL GOVERNANCE STATEMENT – JUNE 2018		GOVERNANCE &RISK COMMITTEE, INTERIM REPORT – FEBRUARY 2019	GOVERNANCE & RISK BOARD FINAL REPORT – MAY 2019
		March 2019 will include members' training days again	Completed.
16.8	The template and guidance for council and committee reports will be reviewed and updated to ensure it continues to capture and provide all relevant information to members to best ensure sound decision-making.	Scheduled for progress through officers working groups	Work has not started on a comprehensive review of the template. Elements of the guidance for officers have been updated as an interim measure. Additional guidance provided separately on integrated impact assessment procedures. Existing template is fit for purpose but requires updating for terminology and potential for revision to make it more friendly for iPad use. Ongoing.
16.9	Work will be undertaken to strengthen the recording and retention of the interests of senior officers which may be considered to be relevant for the discharge of their decision-making duties.	Under development. Scheduled for progress through officers working groups and Corporate Management Team	Work has started on a process to mirror the councillors' Register of Interest. Initial consideration at EMT and CMT to be followed up. Significant changes likely to require policy changes and potentially trade union consultation. Ongoing.
16.10	The restructure of the Community Planning Partnership will continue and be concluded. The effectiveness of that will be significant in relation to community empowerment, local governance review outcome and delivery of partnership outcome and the	Restructure largely complete. Some arrangements below Board level still being developed in terms of remit and membership of forums and CPP's role in Anti-Poverty Strategy	Restructure proposal concluded after development sessions and consultations. New meeting arrangements introduced. Steering group used to drive Board and Forums. New themed forums established (e.g., Anti-Poverty Task Force) and links formed or strengthened to Integration Joint Board, health board and community councils via the Joint Forum of Community Councils.

ANNUAL GOVERNANCE STATEMENT – JUNE 2018		GOVERNANCE &RISK COMMITTEE, INTERIM REPORT – FEBRUARY 2019	GOVERNANCE & RISK BOARD FINAL REPORT – MAY 2019
	council's own priorities.		Completed.
16.11 and 16.12	The two areas in which control was identified as unsound will be concluded through reports to Audit Committee (schools medicine and procurement business case exemptions)	Progress and completion to be monitored through Pentana and reporting as required to Audit Committee on Outstanding Audit and Inspection Recommendations	Education Services' follow-up report on school medication was reported to Audit Committee in March 2018 and a follow-up report is due to Audit Committee in June 2019. Ongoing. Process for business case exemptions under Contracts Standing orders found to be unsound in September 17. Audit Committee informed it was in progress in 2018/19 and that all work was on track for completion by the year end. Completed.
16.13	Work will progress towards compliance with the public sector equality duty due in April 2019. The procedures for conducting and reporting equality impact assessments will be reviewed and adjusted to ensure they include the newly-activated socio-economic Fairer Scotland duty.	"Fairer Scotland duty" added to council procedures for Integrated Impact Assessments Report by Head of Corporate Services to this committee on 25 February 2019.	Equality impact assessment process reviewed and integrated assessment requires consideration of socio-economic impact. Update to Council Executive in April 2019 on progress on delivering the Council's Equality Mainstreaming Plan and Corporate Equalities Outcomes for 2017-2021. Statutory mainstreaming report included as appendix. Completed.

* Numbering used in annual governance statement 2017/18

DATA LABEL: PUBLIC

West Lothian Council

GOVERNANCE AND RISK COMMITTEE

COMMITTEE SELF-ASSESSMENT FEEDBACK

REPORT BY GOVERNANCE MANAGER

A. PURPOSE OF REPORT

To inform the Committee of the results of the self-assessment exercise undertaken by members.

B. RECOMMENDATIONS

The Committee is recommended to:

1. Note the results of the self-assessment questionnaire completed by members following approval by the committee on 25 February 2019; and
2. Identify any areas of concern and recommend appropriate actions to address them.

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Being honest, open and accountable; making best use of our resources
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	Part VII of the Local Government (Scotland) Act 1973; Local Authority Accounts Regulations (Scotland) 2014
III	**Implications for Scheme of Delegations to Officers**	None
IV	**Impact on performance and performance Indicators**	None
V	**Relevance to Single Outcome Agreement**	None
VI	**Resources - (Financial, Staffing and Property)**	Within existing resources
VII	**Consideration at PDSP**	Not required
VIII	**Other consultations**	None

D. TERMS OF REPORT

1 The Committee agreed on 9 April 2018 that a self-assessment exercise should be carried out on an annual basis. This followed a report by the Council's external auditors on the annual accounts considered by Council on 26 September 2017. The report by the external auditors included findings in relation to the Audit Committee and Governance and Risk Committee. The auditors welcomed the greater focus on risk that would be achieved and recommended that these committees undertake annual self-assessments of effectiveness, including how they had interacted with each other over a full cycle of reporting. They considered that to be best practice. Audit Committee has undertaken the same exercise this year.

2 At its meeting of 25 February 2019, the committee approved a questionnaire to be circulated to its members to assess the committee's administrative arrangements and activity. The questions covered five areas: purpose and status, administrative arrangements and support, members, effectiveness and committee remit and activities.

3 The questionnaire was circulated electronically to enable the results to be gathered and presented anonymously. The survey was issued on 7 May 2019 and members were asked to complete it by 24 May 2019.

4 Committee agreed on 25 February 2019 to receive a report on the results of the survey so that any areas of concern could be identified and appropriate actions agreed. It is difficult to draw comparisons with last year's result since only three responses were received then. Committee is invited to consider the responses and whether there are any issues that ought to be addressed at this stage.

5 Five responses were received. The results of the questionnaire are attached at Appendix 1. Attention is drawn in particular to questions 4, 6, 16, 20, 32 and 34 where responses were either varied or comments were made. The responses to the questions in Part D (committee's effectiveness) and in Part E (matters specific to the committee's activities) are positive indicators of the way the committee has developed in the two years of its existence.

E. CONCLUSION

1 Considering the feedback to the self-assessment questionnaire will assist in developing and improving the committee's effectiveness. It will progress the council's agreed response to the external audit report.

F. BACKGROUND REFERENCES

1 West Lothian Council, 26 September 2017

2 Governance and Risk Committee, 9 April 2018

3 Governance and Risk Committee, 25 February 2019

4 Scheme of Administration

Appendices/Attachments:

1. Self-assessment questionnaire results

Contact: James Millar, Governance Manager, 01506 281613, james.millar@westlothian.gov.uk

Date of meeting: 17 June 2019

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Other	Comment
1. A - PURPOSE AND STATUS 1. Committee's role and powers are set out in Standing Orders	1	4	0	0	0	0	
2. 2. Committee's role and powers are clear and understood	1	4	0	0	0	0	
3. 3. Committee is regarded by other members as a positive influence	1	2	2	0	0	0	
4. 4. Committee's recommendations are respected and acted upon	1	2	1	0	0	1	Think so, but as time goes on will be clearer as people report back
5. 5. There is adequate communication with officers and other committees	1	4	0	0	0	0	
6. B - ADMINISTRATIVE ARRANGEMENTS AND SUPPORT 1. Committee is of an appropriate size and composition	3	0	0	0	0	2	Believe a further member is required; Not sure how you get all attending to really engage, but that would be the helpful addition
7. 2. Committee is provided with adequate officer support (professional and administrative)	4	1	0	0	0	0	
8. 3. Meetings are sufficiently frequent and at appropriate times of the year	3	2	0	0	0	0	
9. 4. Committee maintains a work plan balancing forward planning with flexibility for reactive work	3	2	0	0	0	0	
10. 5. Meeting papers are distributed appropriately (timeliness and format) to enable proper preparation	3	1	1	0	0	0	
11. 6. Reports and minutes provide relevant, appropriate and sufficient information	2	3	0	0	0	0	
12. 7. Start times and time allowed for meetings provide sufficient time for business to be done	3	2	0	0	0	0	
13. 8. Public access to reports and meetings is maximised and excluded only where legally justified	2	3	0	0	0	0	
14. 9. Committee is able to secure the attendance and assistance of appropriate senior officers	2	3	0	0	0	0	
15. 10. Committee is able to secure appropriate professional advice when required	0	3	2	0	0	0	
16. 11. Meetings are attended by relevant stakeholders	0	4	0	1	0	0	
17. C - MEMBERS 1. Committee members understand their role	1	4	0	0	0	0	
18. 2. Committee has an appropriate mix of knowledge, expertise, experience and skills	1	4	0	0	0	0	
19. 3. Committee members receive sufficient and appropriate training and briefings	0	5	0	0	0	0	

Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Other	Comment
20. 4. Committee members undertake personal development relevant to their role and responsibilities	0	2	2	0	0	1	Don't know
21. 5. Chair promotes and encourages effective and efficient meetings including input from officers and members	3	2	0	0	0	0	
22. 6. Members prepare, attend meetings and actively contribute	0	2	3	0	0	0	
23. D - EFFECTIVENESS 1. Committee functions in a positive and constructive manner, including interaction amongst members and with officers	2	3	0	0	0	0	
24. 2. Scrutiny is encouraged and accepted as a means to improve	2	3	0	0	0	0	
25. 3. Committee provides constructive challenge to officers	2	3	0	0	0	0	
26. 4. Committee receives adequate responses from officers to questions	0	5	0	0	0	0	
27. 5. Committee members feel comfortable asking candid questions and pursuing full answers	0	4	1	0	0	0	
28. 6. Decisions and recommendations are captured to enable them to be recorded accurately	3	2	0	0	0	0	
29. 7. Decisions are executed properly and in a timely manner and are followed up by committee	0	5	0	0	0	0	
30. 8. There is evidence from meeting papers and minutes of impacts or improvements from committee activity	2	3	0	0	0	0	
31. 9. Committee has good working relations with key officers, members and organisations	3	2	0	0	0	0	
32. 10. Stakeholders (including other members and the public) are made aware of and understand committee’s activity	0	2	2	0	0	1	Most members of the public in West Lothian will be completely oblivious to this committee and its work!
33. E - MATTERS SPECIFIC TO COMMITTEE REMIT AND ACTIVITIES 1. Interaction with Audit Committee is defined and understood, with no gaps or duplication	0	4	1	0	0	0	
34. 2. Meetings are attended by external auditor representatives	0	4	0	1	0	0	
35. 3. Committee’s role in relation to the council’s annual accounts is defined and understood	0	4	1	0	0	0	
36. 4. Members consider fully the contents and conclusions of the Annual Governance Statement before its approval	0	5	0	0	0	0	
37. 5. Committee provides effective review and challenge of risk and governance arrangements and controls	2	3	0	0	0	0	
38. 6. Committee contributes to effective accountability to the public through challenge of governance, risk and control	2	3	0	0	0	0	
39. 7. Committee contributes effectively to the council’s control environment	2	3	0	0	0	0	

DATA LABEL: PUBLIC

GOVERNANCE & RISK COMMITTEE

BREXIT UPDATE

REPORT BY HEAD OF PLANNING, ECONOMIC DEVELOPMENT & REGENERATION

A. PURPOSE OF REPORT

The purpose of this report is to provide a further update to the Governance and Risk Committee on the Brexit-related risks identified by the council, and on the work being carried out to better understand the implications for West Lothian Council, its partners and West Lothian as a whole of leaving the European Union.

B. RECOMMENDATION

It is recommended that Governance and Risk Committee:

1. notes the contents of the report and the relevant risks recorded in Pentana;
2. notes that there will be ongoing monitoring of the Brexit negotiations and monitoring of the impact on for West Lothian; and
3. agrees that the next update report to the Governance & Risk Committee will be October 2019

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Focusing on our customers' needs; being honest, open and accountable; providing equality of opportunities; making best use of our resources; working in partnership
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	The process for leaving the European Union is enshrined in European legislation. The main provision is known as Article 50. Council officers continue to update a register of Brexit related risks, identifying how these might impact on the council. Understanding local impacts will be a feature of the council’s on-going work.
III	**Implications for Scheme of Delegations to Officers**	None
IV	**Impact on performance and performance Indicators**	Brexit may have a range of impacts on council performance. However, at this stage it is not possible to quantify what these might be. These could be positive as well as negative.

V	**Relevance to Single Outcome Agreement**	The final agreement on Brexit may well have impacts on the Local Outcome Improvement Plan.
VI	**Resources - (Financial, Staffing and Property)**	None.
VII	**Consideration at PDSP**	Management of Brexit risks has not been the subject of a specific report to a PDSP.
VIII	**Other consultations**	All service areas are represented on the Brexit Working Group. Engagement is also taking place with external partners.

D. TERMS OF REPORT

D.1 Background

Following the Referendum in June 2016, the UK Government began the process of leaving the EU by triggering Article 50 of the Treaty on European Union on 29 March 2017. The UK was scheduled to leave the EU on 29 March 2019 but an extension was agreed with the EU until 12 April 2019 for the UK to propose a way forward for consideration by the EU.

Parliament held indicative votes on a number of Brexit options on 27 March, and again on 1 April. No option secured a clear backing.

On 3 April 2019 Parliament narrowly voted to take forward a Bill to ask the EU for an extension to the Article 50 process beyond 12 April and which would give Parliament the power to decide the length of this delay to be requested, following approval by the House of Lords. Any extension would have to be agreed by the EU.

On 5 April 2019, the Prime Minister wrote to the EU to request a further delay until 30 June 2019.

As of 8 April 2019, The European Union Withdrawal Act 2019 was passed into law. The Act requires the Prime Minister to seek an extension to Article 50, in order to prevent the UK from leaving the EU without a deal. The Prime Minister attended the European Council summit on 10 April to request a further extension to the Article 50 deadline. An extension was agreed, beginning 11 April, and lasting until 31 October 2019.

As it stands, there is no certainty as to when Brexit will take place and on what basis it will take place. Notwithstanding this uncertainty the council continues to assess, as best it can, the likely risks across the most likely exit scenarios.

D.2 West Lothian Council Brexit Corporate Working Group

Leaving the EU will have implications for West Lothian Council, its partners and West Lothian as a whole. The council has been undertaking horizon scanning exercise for a number of months, and has identified a number of potential risks from Brexit that could impact on council service delivery and operations.

To prepare for this, the council has established a Brexit Corporate Working Group to better understand these risks. The working group has or is:

- established information on likely impacts on service delivery resulting from different Brexit outcomes;

- identified any actions required to mitigate potential negative impacts;

- working with partners to understand any shared risks and any joint response appropriate to manage any potential negative impacts and maximise any positive impacts;

- taking the lead for West Lothian in negotiations with the European Union via COSLA / Solace (Chief Executives) / SLAED (Economic Development Officers) etc. to help ensure that West Lothian's voice is heard; to assist preparation of a no deal exit.

- comparing with other local authorities and relevant bodies across the UK and to identify any best practice approaches being developed elsewhere.

D.3 Progress To Date

The working group was meeting on a fortnightly basis but given progress on confirming risks and the further delay to the UKs exit from the EU, meetings have moved to monthly. However, arrangements are sufficiently flexible that the working group can meet at short notice should that be necessary.

The focus has been about assessing the potential risks, and any opportunities, for each service area. A risk register covering the short term risks to the council in the event of a no-deal Brexit has been prepared.

Of course, the council has little control in terms of mitigating the risks. The risks will or will not crystallise, or will become a reality, depending on the outcome of negotiations on the exit agreement, and on the effectiveness of mitigating measures put in place at a UK, Scottish and council level. For this reason, the risks will be reviewed as and when there are material changes in the likely Brexit outcome, or impacts from that outcome.

Risks are assessed as a combination of likelihood and impact and the highest risks identified are set out within the council's risk register.

The council also continues to work closely with partner organisations on contingency arrangements for monitoring and responding to issues that may arise as a result of leaving the EU. This includes the replacement of EU funding through the UK Prosperity Fund.

The identified risks have not changed substantially since the matter was last reported to Governance and Risk Committee in February 2019. It has been agreed by committee that updates should be provided at each Governance and Risk Committee. However, the next meeting of the Governance & Risk Committee will be during the parliamentary recess and given that substantive progress is unlikely to be made over that period it is suggested that the next report to committee should be at its meeting in October 2019, shortly before the deadline for the agreement on 31 October 2019.

E CONCLUSION

The council's Brexit Working Group, has been operating for just under a year and continues to work closely with partners with the aim of understanding and managing the risks associated with Brexit. Considerable uncertainty remains but potential risks have been identified and assessed and where considered appropriate mitigation actions are being put in place.

F. BACKGROUND REFERENCES

None

Contact Person: Alice Mitchell, Economic Development & Regeneration Manager, 01506283079, alice.mitchell@westlothian.gov.uk

Craig McCorriston
Head of Planning, Economic Development and Regeneration

17 June 2019

5

DATA LABEL: PUBLIC

GOVERNANCE AND RISK COMMITTEE

MANAGEMENT OF HEALTH & SAFETY REPORT

REPORT BY HEAD OF CORPORATE SERVICES

A PURPOSE OF REPORT

This report is presented at the request of the Governance and Risk Committee and is a standing report providing information on Health and Safety incidents reported across all service areas. This report also contains annual incident statistics and a breakdown of violence and aggression incidents within Education.

B RECOMMENDATIONS

It is recommended that the Committee note the content of the report.

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Being honest, open and accountable, making best use of our resources.
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	The Risk Management Policy requires the council to effectively manage risks. Legal requirements for Health and Safety made under statutory obligations in the Health and Safety at Work Act 1974 and Fire Scotland Act 2005 and associated regulations
III	**Implications for Scheme of Delegations to Officers**	None.
IV	**Impact on performance and performance Indicators**	Ineffective risk management arrangements may adversely affect performance.
V	**Relevance to Single Outcome Agreement**	Our public services are high quality, continually improving, efficient and responsive to local people's needs.
VI	**Resources - (Financial, Staffing and Property)**	None.
VII	**Consideration at PDSP / Executive Committee**	None.
VIII	**Other consultations**	None.

D. TERMS OF REPORT

D.1 Background

In accordance with corporate requirements, health and safety risks are maintained in the risk register in Pentana Performance, the council's corporate risk management tool. The risks contained within Pentana represent key risks to service objectives. They are kept under continuous review, and are developed in accordance with changes in the service structure, and in response to changes to the political, regulatory, economic and demographic environment. Services should also ensure that relevant action plans are implemented for key risks, to mitigate these risks to tolerable levels so far as is practicable.

Health and safety is monitored by services using reactive and proactive measures to provide indicators of health and safety performance to support the continued implementation of the health and safety management system.

D.2 Health & Safety Management

The Health and Safety at Work Act, 1974, the Fire Scotland Act 2005 and legislation made under the Acts outline statutory obligations in relation to health and safety. The appropriate and measured control of risk also supports the strategic and operational aims of the council-wide health and safety policy and service health and safety plans.

Measuring health and safety performance is a key step in the safety management process. Internal leading and reactive control measures are used to identify required control measures that mitigate identified risks. The control measures provide objective information that is measurable, easily collected, monitored and considered by Services and Corporate Health and Safety. They provide a reliable indicator of performance and information related to the monitoring of the deployment of policies and procedures and the safety management system.

Health and safety is a standing item at service management team meetings. It is also a standing item for meetings of the Corporate Management Team. A comprehensive report in relation to health and safety legislation and guidance and incidents across all council services is considered with a view to learning lessons and improving and identifying emerging risks. This report includes the provision of key statistical information as set out in Appendix 1 and 2.

Risks are reported to service management teams on a monthly basis. The risks are discussed, changes are made to the risks or their scores, and new risks are added, as considered necessary. There is a complete audit trail of this review process via the meeting papers and the action note produced, which are held in the council's records management system. Agreed changes to risks or risk actions are evidenced in Pentana and where necessary an explanatory note is added in Pentana.

D.3 Enforcement & HSE- Notices / Visits / Inspections/ Correspondence/ Enforcement/ Fee for Intervention (FFI) – January – March 2019 – NIL

D.4 Health and Safety Committee

The Corporate Health and Safety Committee met in March 2019. The Committee terms have been agreed for the coming year with composition altering with agreement of all unions to ensure representation for the employer at Service level rather than Directorate. It was agreed that this will allow service wide discussion at the Committee.

Three revised guidance documents were agreed (First Aid at Work, New and Expectant Mothers and Display Screen Equipment) These were revisions of existing guidance documents. In all cases there have been no major legislative changes since the previous versions were published and changes mainly reflect internal changes or where regulatory guidance had changed.

Consideration was given to the completion of the first phase of provision of training for key staff in the investigation of fire alarm activations to assist in the reduction of current levels of unwanted fire alarm signals.

D.5 Lone Worker Devices

Appendix 1 details the number of devices each service has registered with the service provider (number of live devices) and the number of devices that have been registered as active (being used) in that time period. This information is provided to each service on a monthly basis.

D.6 Employers Liability Insurance Payments

Appendix 1 details the claims settled in January – March 2019 in relation to Health and Safety Incidents.

D.8 Annual Statistics

Appendix 2 provides a breakdown of reported incidents across all services from 01st April 2018 - 31st March 2019.

E. CONCLUSION

The council has implemented robust risk management and monitoring processes with the aim of ensuring that risks to the achievement of key objectives are mitigated as far as possible.

F. BACKGROUND REFERENCES

Health and Safety at Work Etc. Act 1974 and related statutory regulations

West Lothian Council Health and Safety Policy – https://www.westlothian.gov.uk/article/29157/WLC-Health-and-Safety-Policy

Appendices/Attachments: (1) Health and Safety Statistics
(2) Education Services Violent Incident Statistics

Kim Hardie, Health and Safety Manager, 01506 281414, Kim.Hardie@westlothian.gov.uk

Julie Whitelaw, Head Of Corporate Services

Date of meeting: 17th June 2019

May 2019

GOVERNANCE AND RISK COMMITTEE

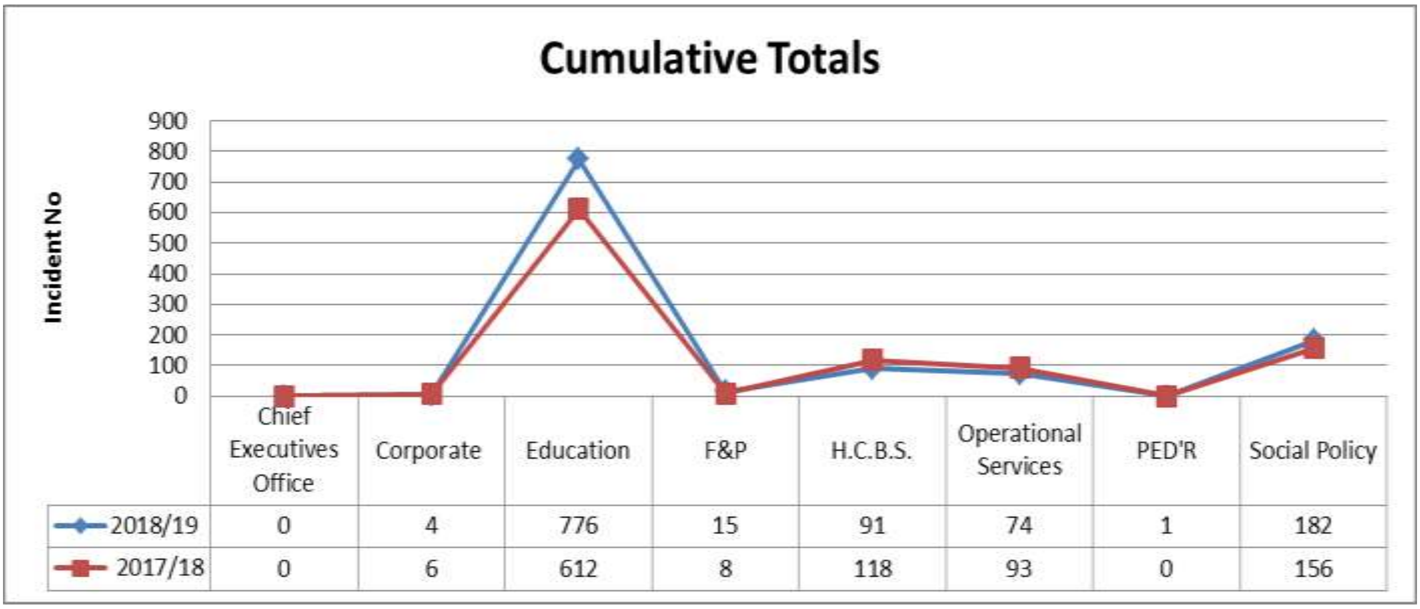
APPENDIX 1 HEALTH AND SAFETY STATISTICS

RIDDOR REPORTABLE INCIDENTS – Total 1st January to 31st March 2019

HSE Reportable 2018/19	Specified	O7D	MoP	DO	Disease	Total	HSE Notices	HSE Visits / Enquiries
CHCP		1				1		
Corporate								
HCBS		1				1		
Operational		2				2		
Education		1				1		
Finance & Estates								
PED								
TOTAL		**5**				**5**		

CUMULATIVE INCIDENTS RECORDED – 1st January – 31st March 2019

	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
Jan	0	2	234	6	31	24	0	61
Feb	0	0	259	7	29	27	1	55
Mar	0	2	283	2	31	23	0	66
2018/19	**0**	**4**	**776**	**15**	**91**	**74**	**1**	**182**
2017/18	0	**6**	**612**	**8**	**118**	**93**	**0**	**156**

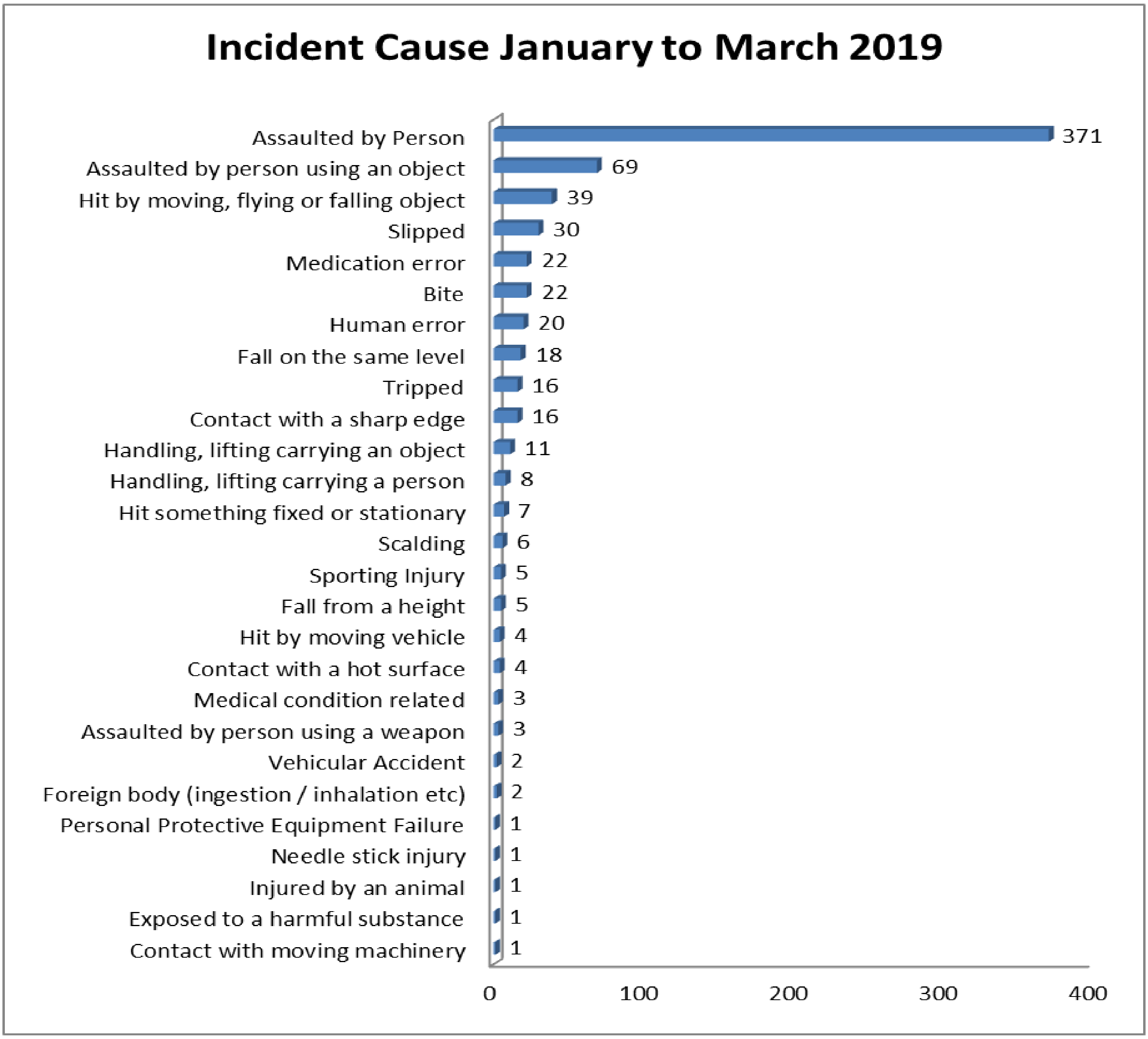


	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
2018/19	0	4	776	15	91	74	1	182
2017/18	0	6	612	8	118	93	0	156

CUMULATIVE INCIDENTS 1st January – 31st March 2019– INCIDENTS RESULTING IN INJURY

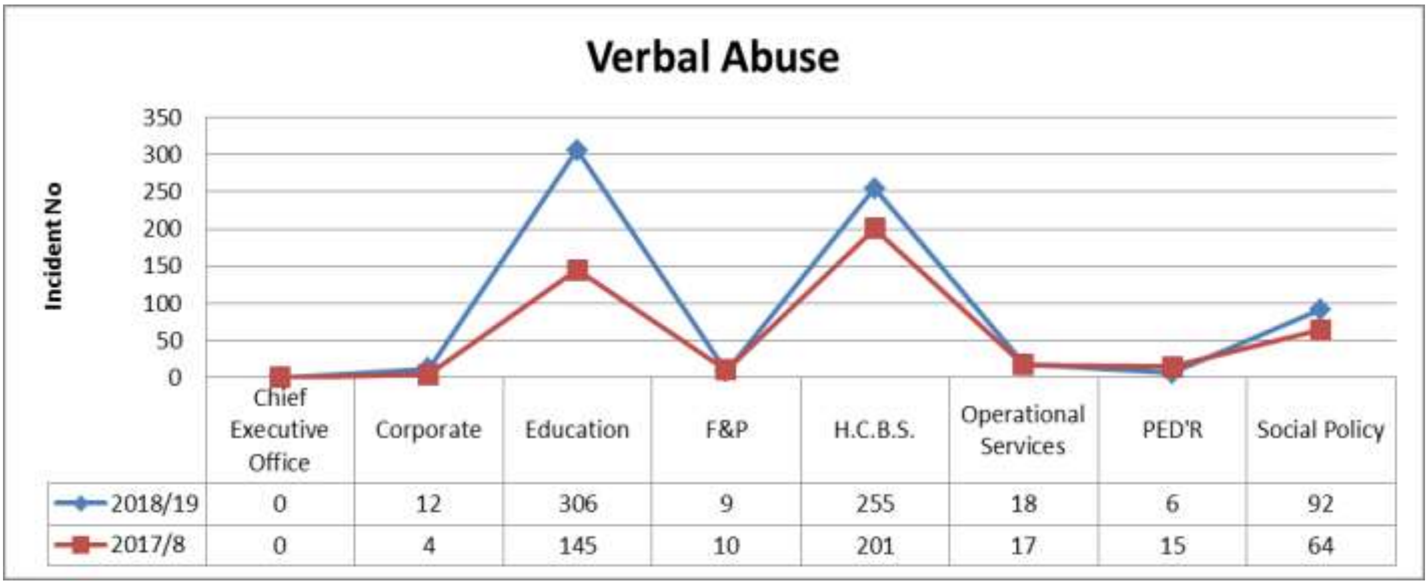
Service / Injured Party	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy	Total
Employee	0	2	531	2	64	40	1	68	708
Third Party	0	0	19	1	5	6	0	41	72
Pupil / Student	0	0	67	0	0	0	0	0	67

CUMULATIVE INCIDENTS by Cause 1st January – 31st March 2019



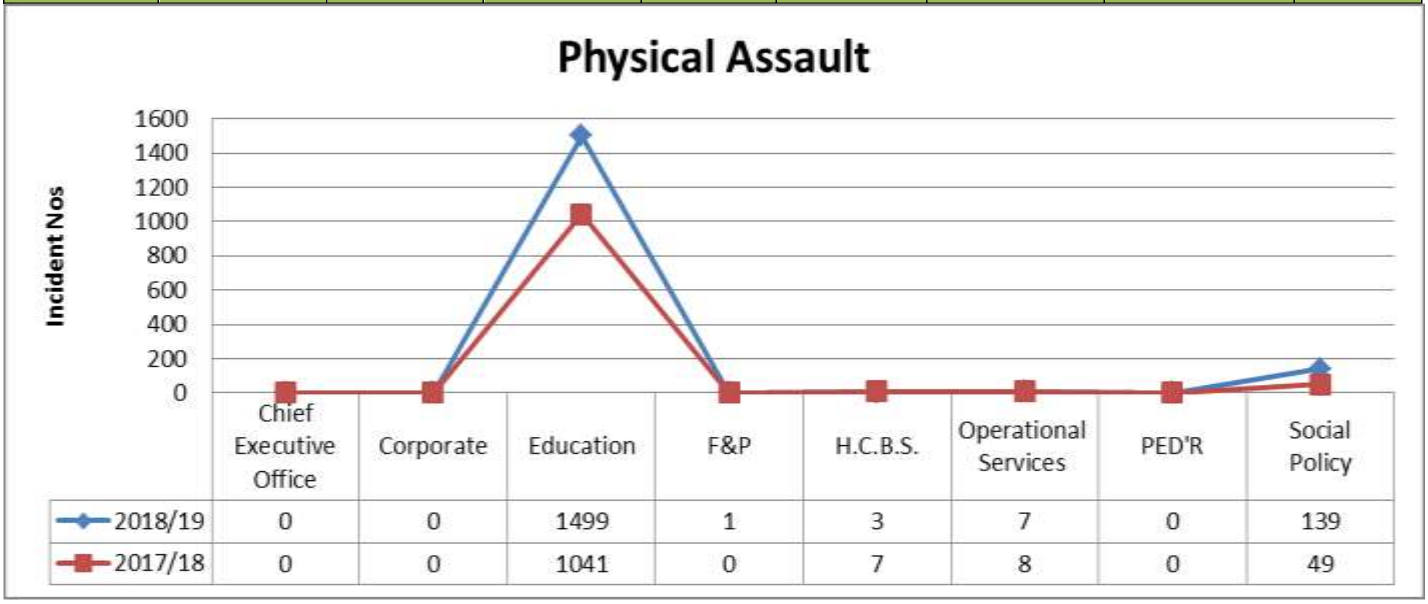
CUMULATIVE REPORTED VERBAL ABUSE INCIDENTS – 1st January – 31st March 2019

	Chief Executive Office	Corporate Services	Education	Finance and Property	Housing, Customer and Building Services	Operational Services	Planning and Economic Development	Social Policy
Jan	0	0	39	0	13	0	0	6
Feb	0	0	31	1	16	1	1	8
Mar	0	1	43	0	19	2	0	10
Total	**0**	**1**	**113**	**1**	**48**	**3**	**1**	**24**
2017 18	**0**	**3**	**57**	**0**	**59**	**4**	**0**	**29**



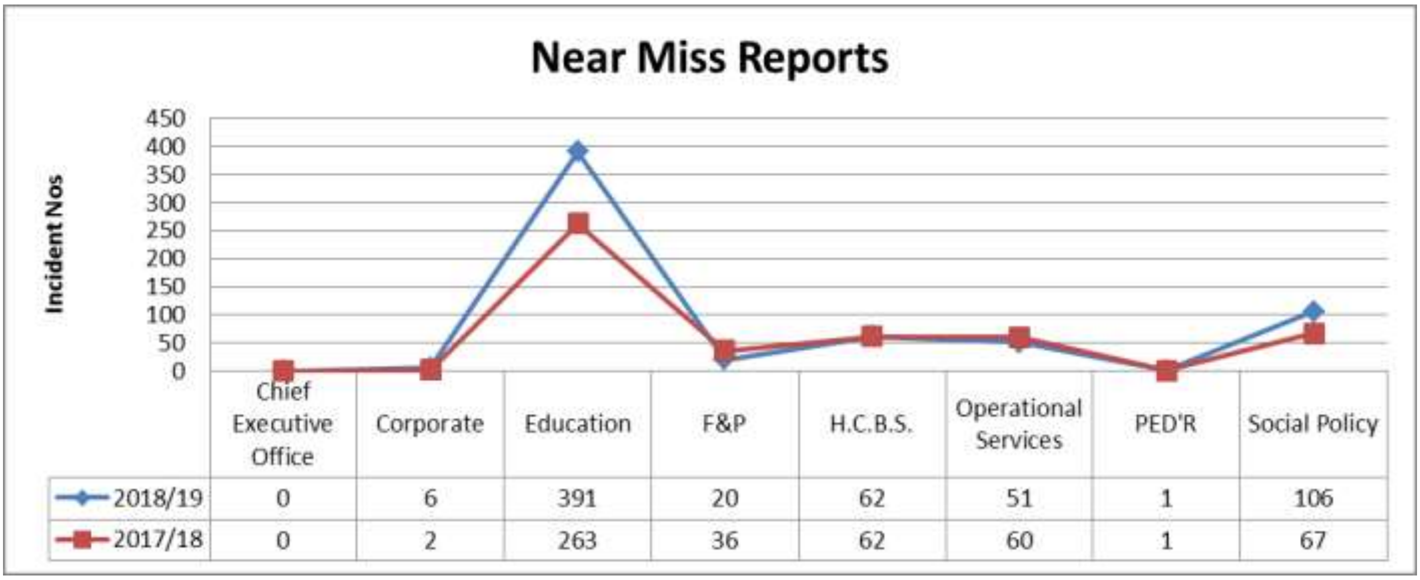
CUMULATIVE REPORTED PHYSICAL ASSAULT INCIDENTS – 1st January – 31st March 2019

	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
Jan	0	0	107	0	0	1	0	11
Feb	0	0	145	1	0	2	0	7
Mar	0	0	152	0	0	0	0	21
2018 19	0	0	**404**	1	**0**	**3**	**0**	**39**
2017/2018	**0**	**0**	**388**	**0**	**0**	**0**	**0**	**26**



NEAR MISS INCIDENTS – 1st January – 31st March 2019

	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
Jan	0	1	36	3	5	5	0	10
Feb	0	0	35	4	7	4	0	7
Mar	0	1	37	1	4	6	0	6
TOTAL	**0**	**2**	**108**	**8**	**16**	**15**	**0**	**23**
Total in same period 2017/2018	**0**	**0**	**50**	**6**	**16**	**21**	**0**	**10**



LONE WORKING DEVICE USAGE – 1st January – 31st March 2019

Service	**Number of Live Devices**			**Number of Active Devices**			**% of devices used in month**		
	Jan	**Feb**	**Mar**	**Jan**	**Feb**	**Mar**	**Jan**	**Feb**	**Mar**
Education	23	20	19	14	13	15	61%	65%	79%
F&P	14	15	17	13	13	13	93%	87%	76%
HCBS	256	249	246	123	113	137	48%	45%	56%
Operations	5	5	6	4	5	6	80%	100%	100%
PED'R	6	7	6	4	3	4	66%	18%	67%
Social Policy	500	503	470	352	386	388	70%	77%	82%
Total	804	799	764	510	533	562	63%	67%	74%

Employers Liability Insurance Payments – 1st January – 31st March 2019

Claims settled from 01st January to 31st March 2019 as shown below.

Accident year	Location	Service	Detail	Injury	Payment to employee / volunteer	Other costs	Total Claim	Cause
2012/13	Bathgate	Building Services	Fall from height	Fracture- Multiple	533,741	165,575	699,316	Failure to operate a safe system of work
2018/19	Boghall	Building Services	Slip/trip	Sprain/strain	2,975	2,338	5,313	Failure to operate a safe system of work
2016/17	Livingston	Refuse Collection	Slip/trip	Sprain/strain	3,000	9,974	12,974	Failure to operate a safe system of work
2016/17	Livingston	Refuse Collection	Manual handling - Job	Minor bruising/ grazing	0	0	0	No fault
		Payments:			**539,716**	**177,887**	**717,603**	
		Less recovery						
		Net			**539,716**	**177,887**	**717,603**	

May 2019

GOVERNANCE AND RISK COMMITTEE

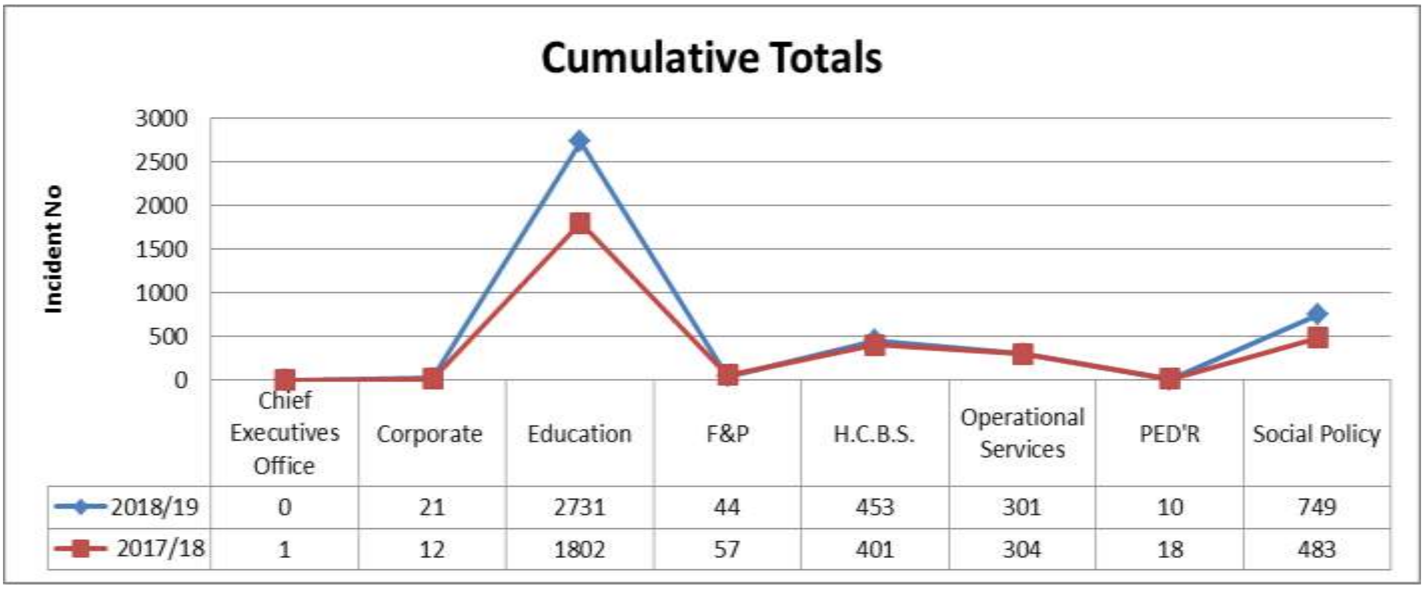
APPENDIX 2 HEALTH AND SAFETY STATISTICS ANNUAL SUMMARY

RIDDOR REPORTABLE INCIDENTS – 1st April 2018 – 31st March 2019

HSE Reportable 2018/19	Specified	O7D	MoP	DO	Disease	Total	HSE Notices	HSE Visits / Enquiries
CHCP	1	3				4	1	2
HCBS	1	3		1		5		
Operational	2	14				16		
Education	4	6	2			12		
TOTAL	**8**	**26**	**2**	**1**		**37**	**1**	**2**

CUMULATIVE INCIDENTS RECORDED – 1st April 2018 – 31st March 2019

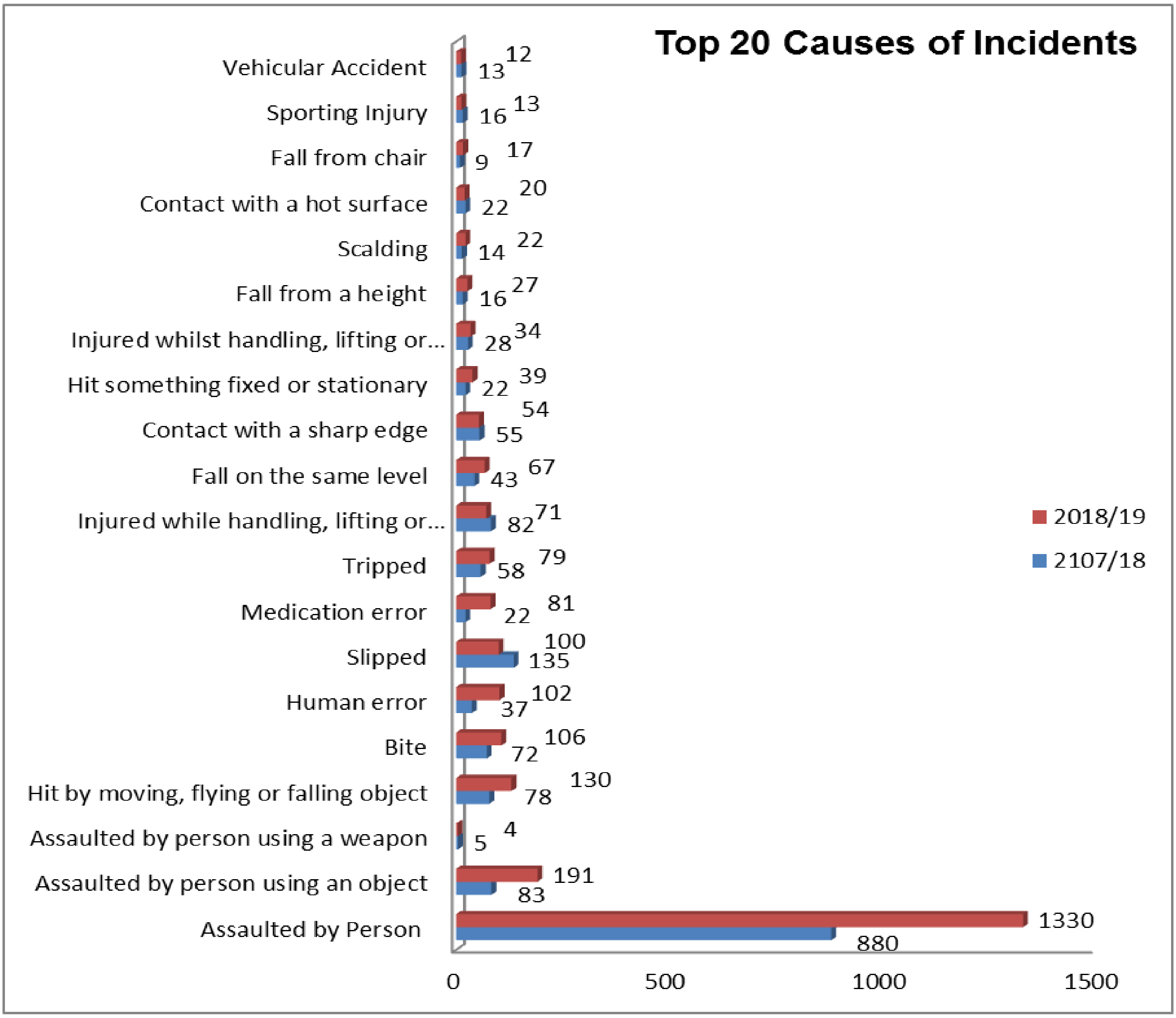
	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
April	0	1	164	3	48	23	1	47
May	0	5	260	2	46	33	1	71
June	0	2	214	4	52	20	1	74
July	0	1	5	2	33	19	3	57
Aug	0	1	103	5	56	28	1	39
Sept	0	5	349	2	28	31	0	77
Oct	0	2	324	6	39	25	2	65
Nov	0	0	369	2	32	28	0	75
Dec	0	0	167	3	28	20	0	62
Jan	0	2	234	6	31	24	0	61
Feb	0	0	259	7	29	27	1	55
Mar	0	2	283	2	31	23	0	66
2018/19	**0**	**21**	**2731**	**44**	**453**	**301**	**10**	**749**
2017/18	1	**12**	**1802**	**57**	**401**	**304**	**18**	**483**



CUMULATIVE INCIDENTS 1st April 2018 – 31st March 2019 – INCIDENTS RESULTING IN INJURY

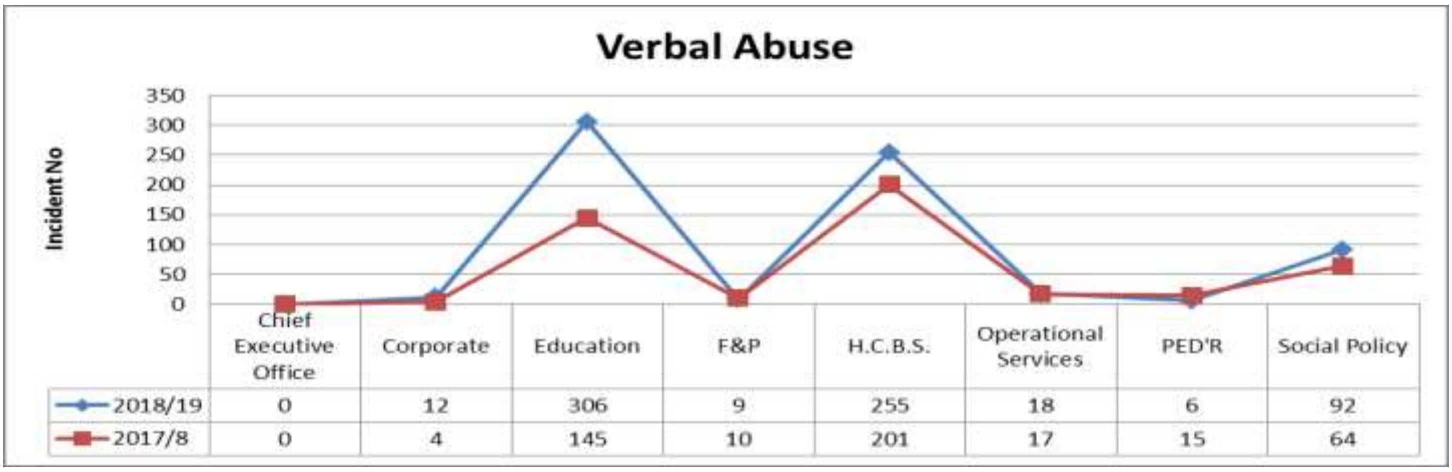
Service / Injured Party	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy	Total
Employee	0	14	1754	12	311	146	9	232	2478
Third Party	0	1	46	4	49	21	0	203	324
Pupil / Student	0	0	386	0	0	1	0	10	397

CUMULATIVE INCIDENTS by Cause 1st April 2018– 31st March 2019 – Top 20



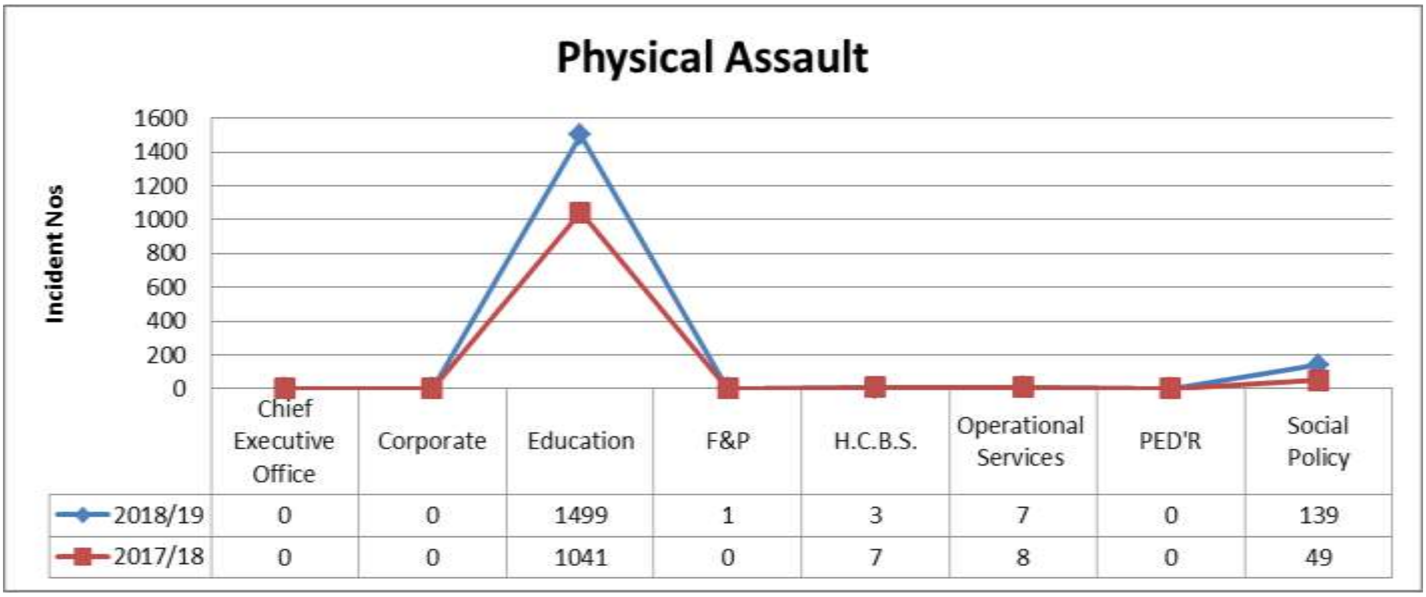
CUMULATIVE REPORTED VERBAL ABUSE INCIDENTS – 1st April 2018– 31st March 2019

	Chief Executive Office	Corporate Services	Education	Finance and Property	Housing, Customer and Building Services	Operational Services	Planning and Economic Development	Social Policy
April	0	1	19	1	27	2	0	10
May	0	5	23	1	25	3	0	14
June	0	1	19	1	32	1	1	16
July	0	1	0	1	18	0	3	1
Aug	0	1	11	2	36	4	0	2
Sept	0	1	34	0	11	2	0	4
Oct	0	1	28	1	23	1	1	13
Nov	0	0	32	0	19	1	0	8
Dec	0	0	27	1	17	1	0	0
Jan	0	0	39	0	13	0	0	6
Feb	0	0	31	1	16	1	1	8
Mar	0	1	43	0	19	2	0	10
Total	**0**	**12**	**306**	**9**	**255**	**18**	**6**	**92**
2017 18	**0**	**4**	**145**	**10**	**201**	**17**	**15**	**64**



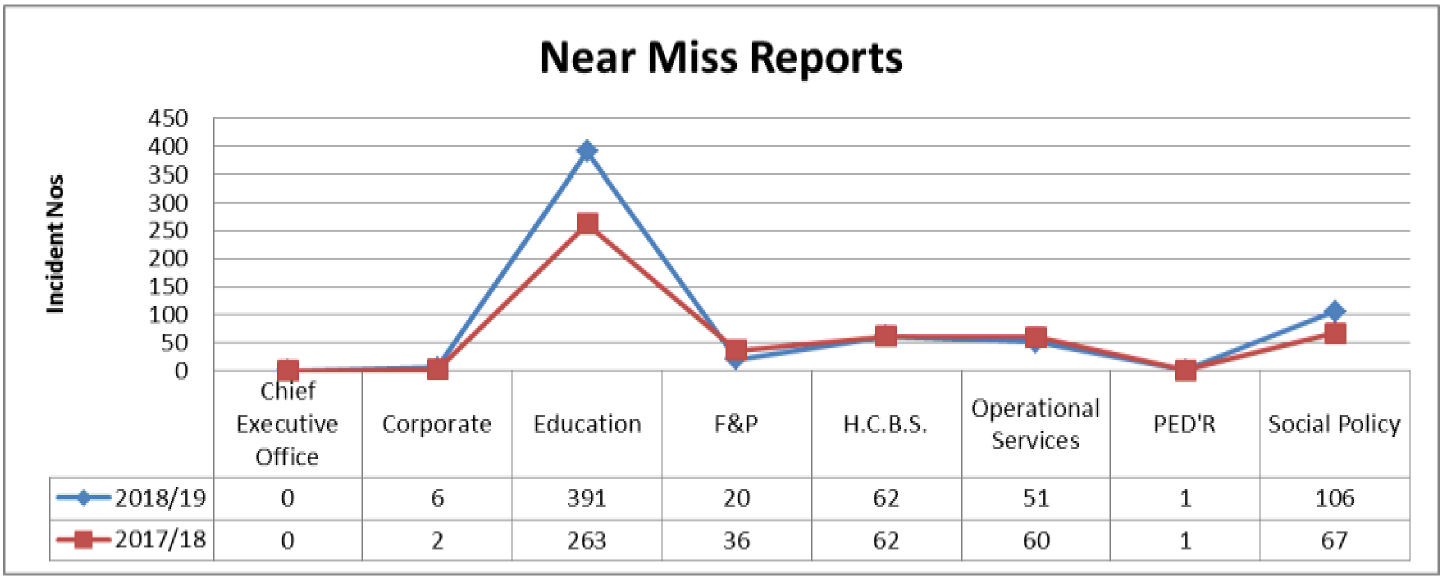
CUMULATIVE REPORTED PHYSICAL ASSAULT INCIDENTS – 1st April 2018 – 31st March 2019

	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
April	0	0	76	0	0	0	0	10
May	0	0	160	0	0	0	0	9
June	0	0	105	0	0	0	0	15
July	0	0	0	0	0	1	0	10
Aug	0	0	48	0	0	1	0	8
Sept	0	0	205	0	0	1	0	12
Oct	0	0	202	0	1	1	0	11
Nov	0	0	209	0	1	0	0	17
Dec	0	0	80	0	1	0	0	8
Jan	0	0	107	0	0	1	0	11
Feb	0	0	145	1	0	2	0	7
Mar	0	0	152	0	0	0	0	21
2018 19	0	0	**1499**	1	**3**	**7**	**0**	**139**
2017/2018	**0**	**0**	**1041**	**0**	**7**	**8**	**0**	**49**



NEAR MISS INCIDENTS – 1st April 2018 – 31st March 2019

	Chief Executives Office	Corporate	Education	F&P	H.C.B.S.	Operational Services	PED'R	Social Policy
April	0	0	25	1	6	2	1	2
May	0	0	37	1	7	4	0	10
June	0	1	21	0	7	3	0	7
July	0	0	1	1	5	2	0	7
Aug	0	0	19	1	6	5	0	6
Sept	0	2	48	1	7	9	0	12
Oct	0	1	49	5	3	3	0	14
Nov	0	0	56	1	3	5	0	11
Dec	0	0	27	1	2	3	0	14
Jan	0	1	36	3	5	5	0	10
Feb	0	0	35	4	7	4	0	7
Mar	0	1	37	1	4	6	0	6
TOTAL	**0**	**6**	**391**	**20**	**62**	**51**	**1**	**106**
Total in same period 2017/2018	**0**	**2**	**263**	**36**	**62**	**60**	**1**	**67**



Employers Liability Insurance Payments – 01st April 2018- 31st March 2019.

The total number of closures for 1st April 2018 to 31st March 2019 was 29, at a total cost of £1,001,026.

Data Label: Internal Only

West Lothian Council

GOVERNANCE AND RISK COMMITTEE

RISK MANAGEMENT ANNUAL REPORT

REPORT BY HEAD OF FINANCE AND PROPERTY SERVICES

A. PURPOSE OF REPORT

To inform the Governance and Risk Committee of the risk management annual report for 2018/19.

B. RECOMMENDATION

It is recommended that the Governance and Risk Committee notes the progress made on risk management and business continuity planning during 2018/18.

C. SUMMARY OF IMPLICATIONS

I	**Council Values**	Being honest, open and accountable, making best use of our resources.
II	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	The council's Risk Management Policy requires the council to effectively manage its risks. Section 2(1)(c) of the Civil Contingencies Act 2004 requires the council to maintain plans for the purpose of ensuring, so far as is reasonably practicable, that if an emergency occurs it is able to continue to perform its functions
III	**Implications for Scheme of Delegations to Officers**	None.
IV	**Impact on performance and performance Indicators**	Weaknesses in the council's risk management arrangements are likely to have an adverse impact on performance.
V	**Relevance to Single Outcome Agreement**	Our public services are high quality, continually improving, efficient and responsive to local people's needs.
VI	**Resources - (Financial, Staffing and Property)**	None.
VII	**Consideration at PDSP**	None.
VIII	**Other consultations**	Governance and Risk Board

D. TERMS OF REPORT

As set out in the risk management annual report, the Audit, Risk and Counter Fraud Manager acts as the council's corporate risk manager and is responsible for ensuring that arrangements are in place within the council to enable managers to effectively manage risks to their business objectives.

This responsibility is discharged by:

- preparing and maintaining corporate procedures on risk management and business continuity planning;
- maintaining the council's corporate risk register;
- providing advice and information to services on risk management and business continuity matters;
- monitoring services' risk management performance.

The risk management annual report sets out the main areas of work undertaken during the year. Appendix A of the report sets out risk management performance indicators.

E. CONCLUSION

Effective processes are in place in relation to risk management and business continuity planning.

F. BACKGROUND REFERENCES

Report to the Governance and Risk Committee 9 April 2018: Risk Management Plan 2018/19.

Appendices/Attachments: Risk Management Annual Report 2018/19

Contact Person: Kenneth Ribbons – Kenneth.ribbons@westlothian.gov.uk Tel No. 01506 281573

Donald Forrest
Head of Finance and Property Services

Date of meeting: 17 June 2019

West Lothian Council

RISK MANAGEMENT ANNUAL REPORT 2018/19

Audit, Risk and Counter Fraud Unit
17 June 2019

CONTENTS

	Section	Page
1.0	Introduction	1
2.0	Risk Management	1
3.0	Business Continuity Planning	3
4.0	Conclusion	4
	Appendix A: Performance Information	5

1.0 INTRODUCTION

1.1 This report sets out the activities of the corporate risk management function for the financial year ending 31 March 2019.

1.2 Heads of Service are responsible for ensuring that risks to their business objectives are effectively managed. The Audit, Risk and Counter Fraud Manager acts as the council's corporate risk manager and is responsible for ensuring that arrangements are in place within the council to enable managers to effectively discharge these responsibilities.

1.3 This is done by:

- preparing and maintaining corporate procedures on risk management and business continuity planning;
- maintaining the council's corporate risk register;
- providing advice and information to services on risk management and business continuity planning;
- monitoring services' risk management performance.

1.4 The council's corporate risk register is held on Pentana, the council's performance management system, and contains 205 risks.

1.5 Performance information relevant to risk management is set out in appendix A to this report.

2.0 RISK MANAGEMENT

Governance and Risk Committee

2.1. The Governance and Risk Committee includes within its remit maintaining a corporate overview of the council's risk management arrangements.

2.2. During 2018/19 Planning, Economic Development and Regeneration Services, Operational Services, Education Services, Corporate Services and Housing, Customer and Building Services gave presentations to the Committee on risk management within their services. All services have now presented to the Committee on their risk management arrangements.

2.3. The Committee receives reports on the council's high risks and on the management of health and safety at every meeting.

2.4. A variety of other reports were submitted to the Committee during 2018/19 on topics such as business continuity planning, Brexit, roads and transportation risks, the council's public sector equality duty, and cyber security. Reports were also submitted on the work of the council's risk consultant Gallagher Basset, and further detail is provided in paragraph 2.9.

Executive Management Team

2.5. The Executive Management Team (EMT) is the council's most senior management body and comprises the Chief Executive, Depute Chief Executives, and the Head of Finance and Property Services. The EMT considers reports on the council's high risks every two months. The EMT also receives reports on outstanding audit and inspection recommendations, and considers progress in completing them.

Governance and Risk Board

2.6. The Governance and Risk Board is an officer group chaired by the Depute Chief Executive (Corporate, Operational and Housing) which meets quarterly to review risk management, business continuity, and governance matters. The Audit, Risk and Counter Fraud Manager and Senior Auditor attend all meetings.

2.7. Examples of risk related matters considered by the Board during the year included:

- the council's high risks;
- business continuity planning arrangements;
- outstanding audit and inspection recommendations;
- statutory compliance (legionella, asbestos, fire safety) performance indicators;
- insurance claims statistics;
- health and safety risks;
- the General Data Protection Regulation (GDPR);
- Brexit;
- I.T. risks.

Risk Management Working Group

2.8. The Risk Management Working Group is an officer group comprised of representatives from all services ("risk champions") which meets quarterly. The council's HR Manager (Health and Safety) attends the meetings and is the risk champion for Corporate Services. The group is chaired by the Audit, Risk and Counter Fraud Manager and its purpose is to disseminate advice and information on risk management and business continuity matters, encourage the effective management of risk within services, and to promote effective business continuity arrangements.

2.9. During the year the council's risk management procedures were reviewed and revised. It is anticipated that the procedures will be developed further in 2019/20.

Gallagher Bassett Risk Reviews

2.10. The council's risk consultant, Gallagher Bassett, provides free risk consultancy and training as part of the insurance contract.

2.11. Gallagher Bassett's review of personal safety in Education was reported to the Governance and Risk Committee on 9 April 2018. Gallagher Bassett also undertook a review of refuse collection risk management and this was reported to the Committee in June 2018 as part of the Operational Services risk presentation.

2.12. During 2018/19 Gallagher Bassett undertook two further reviews, in relation to Personal Safety in Social Policy and Fleet and Driver Risk Management. These will be reported to the Governance and Risk Committee in 2019/20.

Review of Service Risks

2.13. The Audit Risk and Counter Fraud Manager works with all services to review and improve the quality of their risks in the corporate risk register, for example, in relation to descriptions, risk scores, key controls and mitigating actions. All service management teams were visited during 2018/19 and this work will continue during 2019/20.

3.0 BUSINESS CONTINUITY PLANNING

Corporate Business Continuity Plan

3.1 The council's corporate business continuity plan is reviewed annually. The revised plan was submitted to the Corporate Management Team on 28 November 2018 and the Governance and Risk Board on 5 December 2018. The plan is held on Pentana, which is externally hosted, and the plan would be therefore available in the event of a loss of the council's I.T. network.

WLC1 Desktop Testing

3.2. The council maintains three categories of business continuity plan – WLC1, WLC2 and WC3, which are defined as follows:

- WLC1: an activity which if not maintained would cause loss of life or limb to customers or members of the public. Examples include the Social Care Emergency Team (SCET), emergency housing repairs, roads winter maintenance.
- WLC2: an activity which if not maintained would cause significant harm or hardship to the council's customers. Examples include payments to carers, clothing grants, education maintenance allowances, housing benefit processing and payment.
- WLC3: an activity which if not maintained for a period of thirty days would have a significant impact on the council's objectives. Examples include procurement and treasury management.

3.3. In 2016 the Governance and Risk Board authorised a three year programme of desk top testing of all WLC1 business continuity plans. The output from each test is a report containing recommendations for improvement in the service's business continuity planning arrangements.

3.4. There are 24 WLC1 activities. Testing started during 2016/17 and as at 31 March 2019, 22 of 24 WLC1 activities had been tested. The two outstanding tests have now been undertaken and the programme is complete.

WLC1 Staff Relocation

3.5. The council maintains a staff relocation spreadsheet for all WLC1 activities. This records the relocation arrangements for WLC1 staff in the event of either severe weather or loss of their building. During the year the spreadsheet was revised and updated to account for changes in staffing and locations. There are over 900 members of staff on the spreadsheet.

3.6. The spreadsheet is also resident on Pentana and would be available in the event of the loss of the council network.

Service Business Continuity Plans

3.7. During 2018/19 advice was provided to services on their WLC2 business continuity plans. As included in the 2019/20 risk management plan approved by the Governance and Risk Committee on 25/2/19, this will continue during 2019/20.

4.0. CONCLUSION

4.1. The Audit, Risk and Counter Fraud Unit works with services to ensure that effective risk management arrangements are in place which enable services to properly identify, assess and manage key risks to their objectives.

4.2. The Unit engages with services via the Governance and Risk Board and the Risk Management Working Group. Attendance at the Governance and Risk Board and EMT also enables a corporate and strategic view to be taken of the risks facing the council.

4.3. Risk management and business continuity planning arrangements are under constant review and further progress will continue to be made on risk management and business continuity during 2019/20.

Kenneth Ribbons
Audit, Risk and Counter Fraud Manager

APPENDIX A

Risk Management - Performance Information

Status	Reference	Performance Indicator	Comment	Current Target	2018/19 Value	2017/18 Value	2016/17 Value
✓	P:IA020	Percentage of customers who rated the overall quality of risk management advice as good or excellent.	Based on 2018/19 annual survey.	100%	100%	100%	100%
✓	P:IA021	Percentage of risks subject to annual documented risk assessment in Covalent.	Based on the position at 31 March 2019.	100%	100%	95%	100%
⚠	P:IA022	Percentage of risk actions outstanding after their original due date.	In relation to all risk actions due for completion in the previous four years.	5%	5.6%	8.4%	9.3%
⚠	IA023	Cost of risk management per £1 million of West Lothian Council's net expenditure.	Based on the 2018/19 position.	£180	£198	£187	£130
✓	IA024	Percentage of customers who rated the overall quality of business continuity advice as good or excellent.	Based on 2018/19 annual survey.	100%	94%	100%	100%
✓	P:IA025	Percentage of WLC1 activities with an up to date Business Continuity Plan.	Based on responses received from heads of service. New for 2018/19.	100%	100%	N/A	N/A

DATA LABEL: PUBLIC

GOVERNANCE AND RISK COMMITTEE

CORPORATE STRATEGY ANNUAL UPDATE – RISK MANAGEMENT STRATEGY

REPORT BY HEAD OF FINANCE AND PROPERTY SERVICES

A. PURPOSE OF REPORT

The report provides a review of the Risk Management Strategy 2018/23, including progress against the planned actions and an overview of the performance to date.

B. RECOMMENDATIONS

It is recommended that the Governance and Risk Committee:

1. Notes the performance against the outcomes.

2. Notes the progress made in implementing the key activities and actions.

C. SUMMARY OF IMPLICATIONS

I.	**Council Values**	• Being honest, open and accountable • Making best use of our resources
II.	**Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)**	The council's policy is to mitigate risks to the achievement of its objectives by implementing risk management strategies and procedures which enable managers to effectively identify, assess, and mitigate risk.
III.	**Implications for Scheme of Delegations to Officers**	None.
IV.	**Impact on performance and performance indicators**	A performance scorecard has been developed to support the delivery of the strategy outcomes. This will be used to track and monitor performance of key indicators throughout the period of the strategy and reported publicly.
V.	**Relevance to Single Outcome Agreement**	Our public services are high quality, continually improving, efficient and responsive to local people's needs.
VI.	**Resources (Financial, Staffing and Property)**	None.

VII. **Consideration at PDSP** The annual update was reported to the Partnership and Resources PDSP on 7 June.

VIII. **Other Consultations** The strategy was developed through consultation with the key stakeholders, CMT and the relevant PDSP. The strategy was approved at Council Executive on 12 June 2018.

D. TERMS OF REPORT

D.1 Background

The council has a clear mission, values and strategic outcomes. These influence every part of the way that we operate but also, how we evaluate our success as an organisation. The council has also developed a set of integrated corporate strategies for the period 2018/19 to 2022/23 that will help to improve the quality and value of our services and drive a culture of performance and transformation at all levels of the organisation.

There are two features that allow tracking of progress in the strategy outcomes and measurable achievement:

- performance indicators that are linked to the strategy outcomes and key activities;
- action plans comprising actions with defined outcomes, timescales and responsible officers.

In line with monitoring and reporting requirements for corporate strategies, this report provides an update for 2018/19 on the performance in strategy outcomes and progress in the action plan.

D.2 Strategy Outcomes

Risk may be defined as those threats or unexpected events that may affect the council's ability to achieve its corporate objectives. Risk management is therefore a key component of the council's corporate governance arrangements.

The Risk Management Strategy indirectly supports all of the eight priorities in the council's Corporate Plan 2018/23. It also directly contributes to the enablers in relation to corporate governance and risk, and modernisation and improvement.

The strategy has one outcome:

1. effective risk management arrangements which enable corporate, service, and project risks to be properly identified, assessed, and managed.

D.3 Performance Scorecard

The strategy scorecard is a reporting tool that is used to monitor progress in the performance indicators in each strategy outcome. Achievement in the key activities can be tracked and it also allows the council to identify areas for improvement.

The scorecard provides a snapshot of performance to date across the whole strategy and is included in Appendix 1.

A total of four performance indicators are contained in the scorecard and this is managed using the council’s performance management system, Pentana. At present, the status of those indicators are as follows:

Summary of Performance Indicator status (RAG)

Status (against target)	Number of PIs
✓ Green	3
△ Amber	1
● Red	0
? Unknown	0

The annual customer survey showed 100% satisfaction with the overall quality of the risk management service. All of the risks in the corporate risk register had a formal risk assessment in Pentana during 2018/19.

D.4 Strategy Actions

There were three actions to support the delivery of the Risk Management Strategy outcomes during 2018/19. At present, the status of those actions are as follows:

Summary of Action status (RAG)

Status (against target)	Number of Actions
✓ Completed	3
▶ Not Started; In Progress; Assigned	0
△ Unassigned; Check Progress	0
● Overdue	0
☒ Cancelled	0

The update for each action is included in Appendix 2. All of the actions have been completed and a commentary is provided below.

Action: **Annual review of risk management procedures**
Status: Completed
Objective: Effective and up to date procedures

The review of the procedures has been completed and all procedures are available from the Audit, Risk and Counter Fraud section of the intranet.

Action: **Annual review of business continuity procedures**
Status: Completed
Objective: Effective and up to date procedures

The review of the procedures has been completed and all procedures are available from the Audit, Risk and Counter Fraud section of the intranet.

Action:	**WLC1 desktop test programme**
Status:	Completed
Objective:	Effective WLC1 business continuity plans

The WLC1 desktop test programme has now been completed with 24 of 24 activities tested.

E. CONCLUSION

Good progress has been made in relation to the Risk Management Strategy during 2018/19.

F. BACKGROUND REFERENCES

West Lothian Council Corporate Plan 2018/23
West Lothian Council Risk Management Strategy 2018/23

Appendices/Attachments: 2
Appendix 1: Risk Management Strategy Scorecard
Appendix 2: Risk Management Strategy Action Plan Update

Contact Person: Kenneth Ribbons
E mail: kenneth.ribbons@westlothian.gov.uk Phone 01506 281573

Donald Forrest
Head of Finance and Property Services

17 June 2019

APPENDIX 1

Risk Management Strategy Scorecard

Outcome 1 - Effective risk management arrangements.

Status	Performance Indicator	Last Update	Current Value	Current Target	Lead officer(s)
✓	P:IA020_6a.7 Percentage of customers who rated the overall quality of risk management advice as good or excellent.	2018/19	100%	100%	.Head of Finance and Property Services (D Forrest)
✓	P:IA021_9b.1a Percentage of risks subject to annual documented risk assessment in Pentana.	2018/19	100%	100%	.Head of Finance and Property Services (D Forrest)
⚠	P:IA022_9a.3 Percentage of risk actions outstanding after their original due date.	2018/19	5.6%	5%	.Head of Finance and Property Services (D Forrest)
✓	P:IA025_9b.1a Percentage of WLC1 activities with an up to date Business Continuity Plan	2018/19	100%	100%	.Head of Finance and Property Services (D Forrest)

APPENDIX 2

Risk Management Strategy Action Plan Update

Status	Action Title	Code	Assigned To	Progress Bar	Latest Update
✓	Annual review of risk management procedures	IA18007_A	Kenneth Ribbons	100%	01-May-2019 All procedures have been revised and are resident on the intranet.
✓	Annual review of business continuity procedures	IA18008_A	Kenneth Ribbons	100%	01-May-2019 All procedures have been revised and are resident on the intranet.
✓	WLC1 desktop test programme	IA18009_A	Kenneth Ribbons	100%	01-May-2019 WLC1 desktop test programme is now complete - 24 of 24 tests undertaken.

West Lothian Council

GOVERNANCE & RISK COMMITTEE

WORKPLAN – 17 JUNE 2019

17 June 2019		
Corporate high risks	Standing item	Kenneth Ribbons and Donald Forrest
Health & Safety Statistics	Standing item – stats and issues underlying risk register	Julie Whitelaw
Internal Audit Annual Report	Includes findings of review of system of internal control which must precede and inform the approval of the annual governance statement	Kenneth Ribbons
Annual Governance Statement	Statutory requirement for it to be approved for inclusion in the unaudited accounts before the end of June	James Millar
Risk Management Annual Report	End-of-year report on completion on annual plan 18/19	Kenneth Ribbons
Self-assessment questionnaire	Annual survey – feedback of results	James Millar
Annual report on Risk Management Strategy	Progress/performance report on corporate Risk Management Strategy	Kenneth Ribbons
Brexit-related risks	Standing item, from meeting on 28 October 2018	Craig McCorriston
26 August 2019		
Corporate high risks	Standing item	Kenneth Ribbons and Donald Forrest
Health & Safety Statistics	Standing item – stats and issues underlying risk register	Julie Whitelaw and Kim Hardie
Brexit-related risks	Standing item, from meeting on 28 October 2018	Craig McCorriston
Corporate Governance	On referral from Council	James Millar

Annual Report	Executive	
Council’s insurance arrangements	Addressing risks through council’s insurance cover, self-insurance, insurance reserve and claims handling	Donald Forrest and Kenneth Howley
GDPR compliance – risks and governance arrangements	Follow-up to Internal Audit report to Audit Committee in March 2019	Julie Whitelaw
Strategic risks	First time report on risks with highest original pre-mitigation scores, consider as a regular report	Kenneth Ribbons and Donald Forrest
28 October 2019		
Corporate high risks	Standing item	Kenneth Ribbons and Donald Forrest
Health & Safety Statistics	Standing item – stats and issues underlying risk register	Julie Whitelaw and Kim Hardie
Brexit-related risks	Standing item, from meeting on 28 October 2018	Craig McCorriston
Corporate governance	Matters arising (if any) from corporate governance annual report considered in August	James Millar
Risks in relation to school excursions and extra-curricular activities	Arising from discussion at Governance & Risk Board	Donna McMaster
24 February 2020		
Risk Management Annual Plan	Start-of-year plan for approval for 2018/19	Kenneth Ribbons
Review of Risk Management Policy	Periodic review of existing policy to be approved at Council Executive	Kenneth Ribbons
Health & Safety Statistics	Standing item – stats and issues underlying risk register	Julie Whitelaw and Kim Hardie
Corporate high risks	Standing item	Kenneth Ribbons and Donald Forrest
Self-assessment questionnaire	Annual survey – circulated after this meeting for feedback in	James Millar

	June	
Corporate governance	Matters arising (if any) from corporate governance annual report considered in October	James Millar
Brexit-related risks	Standing item, from meeting on 28 October 2018	Craig McCorriston
15 June 2020		
Corporate high risks	Standing item	Kenneth Ribbons and Donald Forrest
Health & Safety Statistics	Standing item – stats and issues underlying risk register	Julie Whitelaw and Kim Hardie
Risk Management Annual Report	End-of-year report on completion on annual plan 18/19	Kenneth Ribbons
Internal Audit Annual Report	Includes findings of review of system of internal control which must precede and inform the approval of the annual governance statement	Kenneth Ribbons
Annual Governance Statement	Statutory requirement for it to be approved for inclusion in the unaudited accounts before the end of June	James Millar
Self-assessment questionnaire	Annual survey – feedback of results	James Millar
Brexit-related risks	Standing item, from meeting on 28 October 2018	Craig McCorriston