

Governance Update

SUMMARY

- 1.1 This report provides an update on the developments being made within the Council's governance framework.

RECOMMENDATION

- 2.1 To note the actions and the progress being made to enhance the governance framework.

REASONS FOR RECOMMENDATION

- 3.1 The Audit and Accounts Committee is responsible for providing assurance to the Council on the effectiveness of the governance arrangements, risk management framework and internal control environment.

SUPPORTING INFORMATION

Information Governance – Freedom of Information

- 4.1 This update on information governance covers the period 1 January 2014 to 28 February 2014.
- 4.2 The number of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests the Council has received over the last 9 years has increased each year. Table 1 below shows the number of FOI/EIR requests received each year since FOI came into being, and the number of requests received in 2014, as at 28 February. The number of requests received in 2014 is 291. This is an average of 145 requests per month. This compares to an average of 101 per month in 2013.

Table 1: Number of FOI/EIR Requests Received by Calendar Year

Year	Number of FOI Requests Received
Jan - Dec 05	183
Jan - Dec 06	239
Jan - Dec 07	250
Jan - Dec 08	358
Jan - Dec 09	581
Jan - Dec 10	685
Jan – Dec 11	913
Jan – Dec 12	923
Jan – Dec 13	1,209
Jan – Feb 14	291

- 4.3 A total of 291 FOI/EIR requests have been received in the period 1 January 2014 to 28 February 2014. (187 for this period in 2013). In the same period, 252 FOI/EIR requests were completed. The total recorded officer time taken to complete these requests was approximately 340 hours. Based on the level of charges determined by regulation 4 of the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004, the calculated charge for staff costs is £8,514.

Note: The regulation specifies that the standard hourly rate that all authorities must use to calculate the staff costs of answering requests is £25.

The average response time per request in the period was 7.3 days.

4.4 Source of FOI/EIR Requests

The Council does not just receive FOI/EIR requests from members of the public. A large proportion comes from commercial organisations, local and national media and political pressure groups. An analysis of requests for information sorted by category of requester for the period from 1 January 2014 to 28 February 2014 is shown in Table 2. Table 3 breaks these same figures down by the Council Directorate responsible for supplying the information.

Table 2: Number of FOI/EIR Requests by category of requester

FOI Request from	Jan 2014	Feb 2014
Commercial	38	29
Media	33	20
Personal	77	87
Other Local Authority	0	1
Political	4	2
Total	152	139

Table 3: Number of FOI/EIR Requests by Lead Directorate

Directorate	Jan 2014	Feb 2014
Adults, Health & Housing	10	9
Chief Executive's Office	0	4
Children & Young People	31	20
Neighbourhoods	48	48
Resources	60	51
Public Health	2	5
Council Wide	1	2
Total	152	139

4.5 FOI/EIR Appeals

To date in 2014, one requestor has exercised their right of appeal under the Freedom of Information Act and Environmental Information Regulations. All appeals are considered by the Head of Governance and Assurance. Following the review the appeal, the decision was that the appeal was not upheld.

Information Governance – Data Protection

- 4.6 The council has recently had a letter from the Information Commissioner's Office (ICO) in relation to a disclosure of personal data which the Council notified to them in October 2013.
- 4.7 The ICO is still investigating the circumstances and have not yet formed a view on what action, if any, it will take. The letter seeks further information from the Council relating to the disclosure of the personal data.

Insurance & Risk Management

- 4.8 As reported to the October 2013 meeting, a project to review the Council's Insurance function is in progress. The aim of the project is to explore alternative models for service delivery, including a move towards greater "self-insurance". It is anticipated that the project will be finished by September 2014. The outcomes will be reported through to Committee.

Insurance Statistics:

- 4.9 Given the clear link between insurance and risk management, it was agreed at the Committee's meeting in October 2012 that the governance update report would provide members with insurance statistics that would present an opportunity for this Committee to scrutinise insurance data for the Council and to review the potential risk areas identified in the data.
- 4.10 The report in Appendix 2 shows the number of claims, estimated values and the payments the Council has made for the 6 month period from 1 September 2013 to 28 February 2014. The report covers the 4 main insurance policy types. The appendix shows the level of potential funding that the Council contributes to insurance claims. It also illustrates a certain level of self-insurance on certain policy types i.e. public liability and employers liability which now both have a higher excess of £50,000 (from 1/4/13).
- 4.11 A successful claim against the Council could be described as a risk that has manifested itself. It could also be down to a mistake by the Council. By reviewing historical insurance data, we can identify issues and then put in place the necessary actions to prevent the risks and mistakes from re-occurring. The analysis of insurance data can also highlight issues where inadequate departmental responses within the claims process have resulted in increased delays and costs. On a more corporate level we can use the data to identify trends in an attempt to reduce either the number, or impact, of future claims.

Risk Management

- 4.12 Internal audit has recently concluded a review of the Council's risk management framework. Zurich Municipal has also concluded the work it was asked to carry out by the Council on the strategic/directorate risk registers and specific areas of the risk management framework. A report on the effectiveness of risk management at the Council will be brought to the next meeting of the Committee.

Whistleblowing

- 4.13 There have been no disclosures made under the Council's Whistleblowing policy in the last quarter.

Anti-Money Laundering

- 4.14 There have been no instances reported to the Anti-Money Laundering Reporting Officer in the last quarter.

Regulation of Investigatory Powers Act

- 4.15 The Council has a statutory obligation to provide a quarterly update to Elected Members in respect of its use of covert surveillance. There have been no authorisations for the use of covert surveillance made under RIPA in the last quarter.
- 4.16 On an annual basis, Elected members are required to review the Council's Covert Surveillance Policy and procedures to ensure they are fit for purpose. These will be brought to the next meeting of the Committee.

National Fraud Initiative (NFI)

- 4.17 Work is continuing on clearing the matches released in January 2013. Depending on the nature of the match, some cases take longer to clear than others, notably Housing Benefit matches which can take several months to resolve.
- 4.18 As at 14 March 2014, the number of cases cleared are:

Service	Number of matches cleared	Number of "mandatory" responses cleared	Percentage cleared	
			total	mandatory
Housing benefit	335	200	12%	37%
Payroll	76	3	74%	75%
Derby Homes	152	137	94%	100%
Blue badges	198	198	55%	62%
Residential care homes	112	32	100%	100%
Creditors	328	328	5%	55%
Residents parking	1	1	100%	100%
Concessionary travel	1487	1487	100%	100%
Mixed data source reports	195	94	95%	100%
TOTAL	2884	2480	25%	78%

- 4.19 As has been the case in previous NFI exercises, there are a high number of creditors matches. This is due to many suppliers being listed twice, as they are suppliers to both the Council and schools, and many matches appear on several reports. As a result, the matches checked are done on a “sample” basis as they have proved unproductive in the past.
- 4.20 As at 14 March 2014, a total of £113,953.63 has been identified as overpaid in Housing Benefit. This consists of 22 cases, 10 of which have been identified as errors (valued at £59,092.20), seven have been identified as fraudulent and a formal caution has been applied (valued at £38,378.56) and the remaining five cases have been identified as fraudulent, had the overpayment calculated (valued £16,482.80) but are awaiting the sanction being applied before the match is closed.
- 4.21 A new cycle of matches has just been released. These match Council Tax records to the Electoral Roll and were submitted on 18 February 2014 using the new Flexible Matching Service. Unlike the old service, where a long wait before the matches were released led to the data being out-of-date by the time they arrived, this new service produces the results in a matter of hours.
- 4.22 Due to the timing of this exercise clashing with annual Council Tax billing, work on these matches has not yet commenced. The matches to be examined are;

	Total matches	Mandatory matches
Council Tax to Electoral Roll	2020	0
Council Tax rising 18	381	0
TOTAL	2401	0

- 4.23 The Audit Commission has also offered to make some matches available through the Flexible Matching Service at nil cost. (Under normal circumstances, these voluntary matches are chargeable). As a result, Adults Health and Housing has taken the opportunity to match its records of clients in receipt of Personal Budget payments against records of deceased persons held by Registrars across the country. These records were submitted on 27 February 2014 and resulted in eight matches which are currently being investigated.
- 4.24 A further free match of Housing Benefit data against Student Loan company records is also on offer, and the Benefits team are planning to submit a file during early April.

OTHER OPTIONS CONSIDERED

5.1 N/A

This report has been approved by the following officers:

Legal officer	N/A
Financial officer	N/A
Human Resources officer	N/A

Estates/Property officer	N/A
Service Director(s)	N/A
Other(s)	Chief Officer Group

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Insurance statistics

IMPLICATIONS

Financial and Value for Money

- 1.1 None directly arising

Legal

- 2.1 None directly arising

Personnel

- 3.1 None directly arising

Equalities Impact

- 4.1 None directly arising

Health and Safety

- 5.1 None directly arising

Environmental Sustainability

- 6.1 None directly arising

Property and Asset Management

- 7.1 None directly arising

Risk Management

- 8.1 The effective management of risk is a core principle of good governance.

Corporate objectives and priorities for change

- 9.1 The functions of the Committee have been established to support delivery of corporate objectives by enhancing scrutiny of various aspects of the Council's controls and governance arrangements.

Appendix 2

Insurance Statistics – September 2013 to February 2014

The tables below show the number of claims for the 4 main policy categories of insurance. The level of funding required from the Council depends on the level of excess in place for each category of insurance.

Public Liability:

Month	Number of Claims	Number Repudiated	Number Settled	Total Value of Claims	Insurance Company Funded	DCC Funded	Directorate Funded	Payments made
				£	£	£	£	£
Sept 13	11	1	0	65,881	0	60,881	5,000	0
Oct 13	14	2	0	60,307	0	55,597	4,710	170
Nov 13	15	4	0	22,420	0	18,540	3,880	0
Dec 13	22	4	0	50,380	0	42,940	7,440	0
Jan 14	22	2	0	128,221	0	118,571	9,650	0
Feb 14	15	0	0	59,985	0	54,100	5,885	0
Total	99	13	0	387,194	0	350,629	36,565	170

Employers Liability:

Month	Number of Claims	Number Repudiated	Number Settled	Total Value of Claims	Insurance Company Funded	DCC Funded	Directorate Funded	Payments made
				£	£	£	£	£
Sept 13	3	1	0	22,800	15,000	7,800	0	0
Oct 13	2	0	0	17,500	0	17,500	0	0
Nov 13	3	0	0	26,727	0	26,727	0	0
Dec 13	3	0	0	40,000	0	40,000	0	0
Jan 14	2	0	0	16,977	0	16,977	0	0
Feb 14	0	0	0	0	0	0	0	0
Total	13	1	0	124,004	15,000	109,004	0	0

Property:

Month	Number of Claims	Number Repudiated	Number Settled	Total Value of Claims	Insurance Company Funded	DCC Funded	Directorate Funded	Payments made
				£	£	£	£	£
Sept 13	6	1	3	18,905	17,205	0	1,700	8,455
Oct 13	2	2	0	0	0	0	0	0
Nov 13	5	1	0	31,632	30,832	0	800	0
Dec 13	1	0	0	450	250	0	200	0
Jan 14	4	0	0	3,140	1,210	1,330	600	0
Feb 14	1	0	0	3,000	2,800	0	200	0
Total	19	4	3	57,127	52,297	1,330	3,500	8,455

Motor:

Month	Number of Claims	Number Repudiated	Number Settled	Total Value of Claims	Insurance Company Funded	DCC Funded	Directorate Funded	Payments made
				£	£	£	£	£
Sept 13	8	1	3	9,390	0	7,890	1,500	6,558
Oct 13	5	1	1	18,674	0	17,174	1,500	3,622
Nov 13	9	0	0	9,580	0	4,600	4,980	980
Dec 13	8	0	0	7,500	0	2,000	5,500	1,017
Jan 14	7	2	1	9,500	0	6,000	3,500	0
Feb 14	2	0	0	1,500	0	1,500	0	0
Total	39	4	5	56,144	0	39,164	16,980	12,177