NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – WEDNESDAY, 22 JULY 2020

Title of Report	**REVIEW OF CORPORATE GOVERNANCE POLICIES**	
Presented by	Tracy Bingham Head of Finance	
Background Papers	UK Anti-corruption strategy 2017-2022 Bribery Act 2010 Data Protection Act 2018 Money Laundering and Terrorist Financing (Amendment) Regulations 2019 Investigatory Powers Act 2016 Home Office Codes of Practice 2018	**Public Report:** Yes
Purpose of Report	To receive the committee's comments on the Councils Governance Policies ahead of Cabinet	
Recommendations	**THAT THE COMMITTEE PROVIDES ANY COMMENTS IT MAY HAVE FOR CONSIDERATION BY CABINET WHEN IT MEETS TO CONSIDER THE POLICIES ON 22 SEPTEMBER 2020.**	

1.0 BACKGROUND

1.1 The Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. In discharging this responsibility the Council has in place arrangements for governance of its affairs and staff.

1.2 The following documents constitute the Council's suite of Corporate policies:

Policy	Last reviewed
Anti-Fraud and Corruption Policy;	2015
Anti-Money Laundering Policy;	2015
RIPA Policy	2016
Information Management	Not been to members
Data Protection Policy	Not been to members
Confidential Reporting (Whistleblowing) Policy;	2016
ICT & Cyber Security Policy;	2019

Risk Management Strategy;	2018
Local Code of Corporate Governance	2017

1.4 A comprehensive review of the suite of policies has been undertaken and the revised draft policies are appended to this report. The Committee's views are sought ahead of consideration of the policies at Cabinet on 22 September 2020.

2.0 POLICY REVIEWS

The policies have been reviewed by a team comprising Legal, Internal Audit, ICT, the Monitoring Officer, the Strategic Director of Housing and Customer Services, the Data Protection Officer and the Section 151 Officer.

The main changes to each policy are summarised below:

2.1 Anti-Fraud and Corruption Policy

An internal audit in 2016/2017 recommended that a review of the Council's fraud policy framework be undertaken to confirm the Council's Policies were up to date. In 2018 Leicester City Council undertook the review on behalf of the District Council concluding that the Anti-Fraud and Corruption and Anti-Money Laundering policies should be updated.

The following changes to the Anti-Fraud and Corruption Policy have been made:

- A clarification of the definitions of Corruption and Bribery to reflect those in the HM Government – UK Anti-corruption strategy 2017-22 and the Bribery Act 2010.
- The reinforcement of the culture of the Council's opposition to Fraud and Corruption
- Setting out the commitment to take action against those who offend against the Council
- Setting out the commitment to take disciplinary action where there is a breach of the policy
- An update to the details of external auditors, to reflect the new 5 year contract
- A clarification of the role and responsibility of CLT
- Outlining how the policy complies with new Data Protection legislation, the Data Protection Act 2018

2.2 Anti-Money Laundering Policy

The following changes to the Anti-money Laundering Policy have been made:

- An update to the Councils commitment to reflect the new legislation, Money Laundering and Terrorist Financing (Amendment) Regulations 2019
- An update to the definition of Money Laundering to give a more detailed definition within the policy
- An update to the details of the Money Laundering Reporting Officer (MLRO) and deputy MLRO as new appointments have been made since the last policy

2.3 Confidential Reporting (Whistleblowing Policy)

The following changes to the Confidential Reporting (Whistleblowing) Policy have been made:

- A clarification of the application of legislation to reflect the changes that it has to be in the public interest and only covers workers.
- The refinement of the Policy aims to be specific as to who the policy covers
- An update to the contact details of the officer to whom concerns should be raised due to structural changes
- An update to reference the new Data Protection legislation, the Data Protection Act 2018

2.4 Risk Management Policy

The following changes to the Risk Management Policy have been made:

- The adoption of a regular review of the Risk Management Strategy every two years.
- A move to a more specific, mitigation based and regular review approach.
- Audit and Governance Committee to receive regular updates of the Risk Register and mitigation plans.
- A clarification on some reporting issues in terms of when and what groups and meetings are involved.
- The provision of additional clarity regarding the role of particular staff roles and responsibilities.
- An update to reflect current practice in terms of timing and process.
- Editorial 'tidying up' and updating.
- A commitment to continue to review the corporate risks quarterly and recommend any changes through CLT prior to the information being presented to this Committee and onwards to Cabinet.

2.5 RIPA Policy

In June 2020 a virtual inspection by the Investigatory Powers Commissioner's Office was undertaken and further to this the following changes have been made to the Corporate Policy and Procedure on the Regulation of Investigatory Powers Act 2000 (RIPA) Policy:

- An amendment of the policy name to include reference to new legislation, the Investigatory Powers Act 2016 (IPA);
- The addition of reference to the IPA, what it authorises and how to obtain an authorisation. The IPA governs the acquisition of communications data, for example the address to which a letter is sent, the time and duration of a phone call, the telephone number or e-mail address of the originator and recipient, and the location of the device from which a communication was made;
- The addition of reference to the most up to date codes of practice from the Home Office;
- The addition of reference to changes in how children (under 18s) can be used as informants (known as Covert Human Intelligence Sources);
- The addition of reference to the use of the Council owed drone:
    - Consideration should be given to whether or not the drone will capture personal information;

    - If personal information is likely to be captured:
        - persons should be notified in advance (so it does not constitute covert surveillance); and
        - consider how to minimise this intrusion into people's privacy;
- The inclusion of a warning to staff not to use personal devices (e.g. mobile phones or computers) to carry out investigations for work purposes (e.g. accessing a person of interest's social media account from a personal device);
- An update to include reference to data retention periods to ensure any information obtained is deleted in accordance with the Council's Information Management Policy.

2.6 Information Management Policy

The following changes to the Information Management Policy have been made:

- A style change – update of the logo used
- An update to Information Management Team Structure and reference to corporate Information Champions
- The inclusion of reference to the Privacy and Electronic Communications Regulations (PECR) – This relates to the way data is used for marketing and is not limited to that which identifies personal data. Whilst the PCER have been in place since 2003, on the 25th May 2018 it became a requirement to comply with both PECR and GDPR. There is some overlap between the two but the overall aim is to protect data and complying with PECR helps comply with GDPR and vice versa.

As a result of the changes to working arrangements arising from COVID 19, the Council is working with other Leicestershire authorities to create a shared approach to dealing with homeworking within the policy. This will be brought forward at a later date.

2.7 Data Protection Policy

The Data Protection policy remains largely up to date as it was reviewed in 2019. The only amendments that have been made are to update the policy owner and reviewers.

These updates reflect the ownership of the policy and ensure that monitoring is objective.

2.8 ICT & Cyber Security Policy

The following changes to the ICT and Cyber Security Policy have been made:

- Spelling and grammar
- An update to some homeworking guidelines
- The inclusion of IT assets and how they are managed, as this was missing previously
- The addition of information relating to Cyber security including the process and procedure to report a cyber-incident
- An update to the use of 2 factor authentication and use of the Swivel mobile App
- The addition of l information about virtual meetings and the privacy of those meetings

2.9 Local Code of Corporate Governance

The Local Code of Corporate Governance continues to reflect the Council's current corporate governance arrangements and therefore only presentational and contextual changes have been made.

The Code was last reviewed and updated in 2017 in line with joint guidance on corporate governance by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE)

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Policies and other considerations, as appropriate	
Council Priorities:	Our communities are safe, healthy and connected.
Policy Considerations:	All those detailed within this report.
Safeguarding:	Whistleblowing, surveillance using RIPA and Protecting people's data are all considered to be safeguarding our communities.
Equalities/Diversity:	The opportunity for whistleblowing helps to ensure any risk of inequality or lack of diversity can be highlighted.
Customer Impact:	Anti-fraud, anti-money laundering and corruption will protect the customer from financial impact.
Economic and Social Impact:	Anti-fraud, anti-money laundering and corruption will protect the customer from economic impact.
Environment and Climate Change:	N/A
Consultation/Community Engagement:	N/A
Risks:	Risk Management Policy
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