

HAVANT BOROUGH COUNCIL
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GOVERNANCE & AUDIT COMMITTEE AGENDA

Membership: Councillor Smith K (Chairman)

Councillors Mackey, Hart, Perry, Mrs Smallcorn, Tarrant and Wilson

Meeting: Governance & Audit Committee

Date: Tuesday 2 December 2014

Time: 5.00 pm

Venue: Hollybank Room, Public Service Plaza, Civic Centre Road,
Havant, Hants PO9 2AX

The business to be transacted is set out below:

Jo Barden-Hernandez
Service Manager – Legal & Democratic Services

24 November 2014

Contact Officer: *Tristan Fieldsend* 023 9244 6233
Email: tristan.fieldsend@havant.gov.uk

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1 Apologies	
To receive apologies for absence.	
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To confirm the minutes of the Governance and Audit Committee held on 16 September 2014.	
3 Matters Arising	
To consider any matters arising from the minutes of the previous meeting.	
4 Declarations of Interest	

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GENERAL INFORMATION

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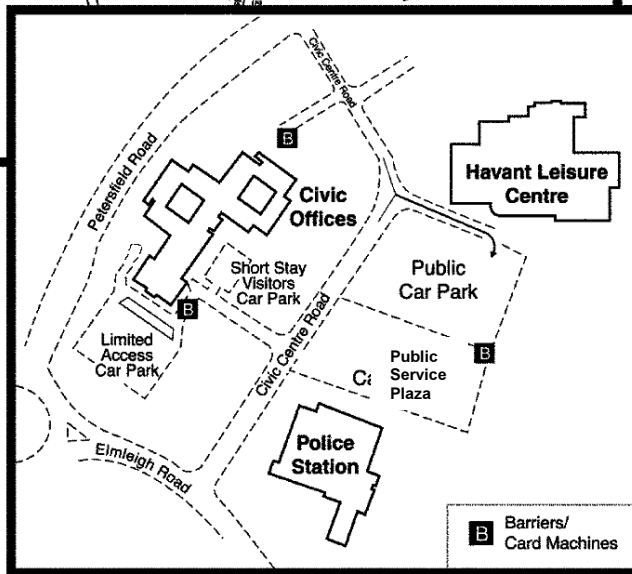
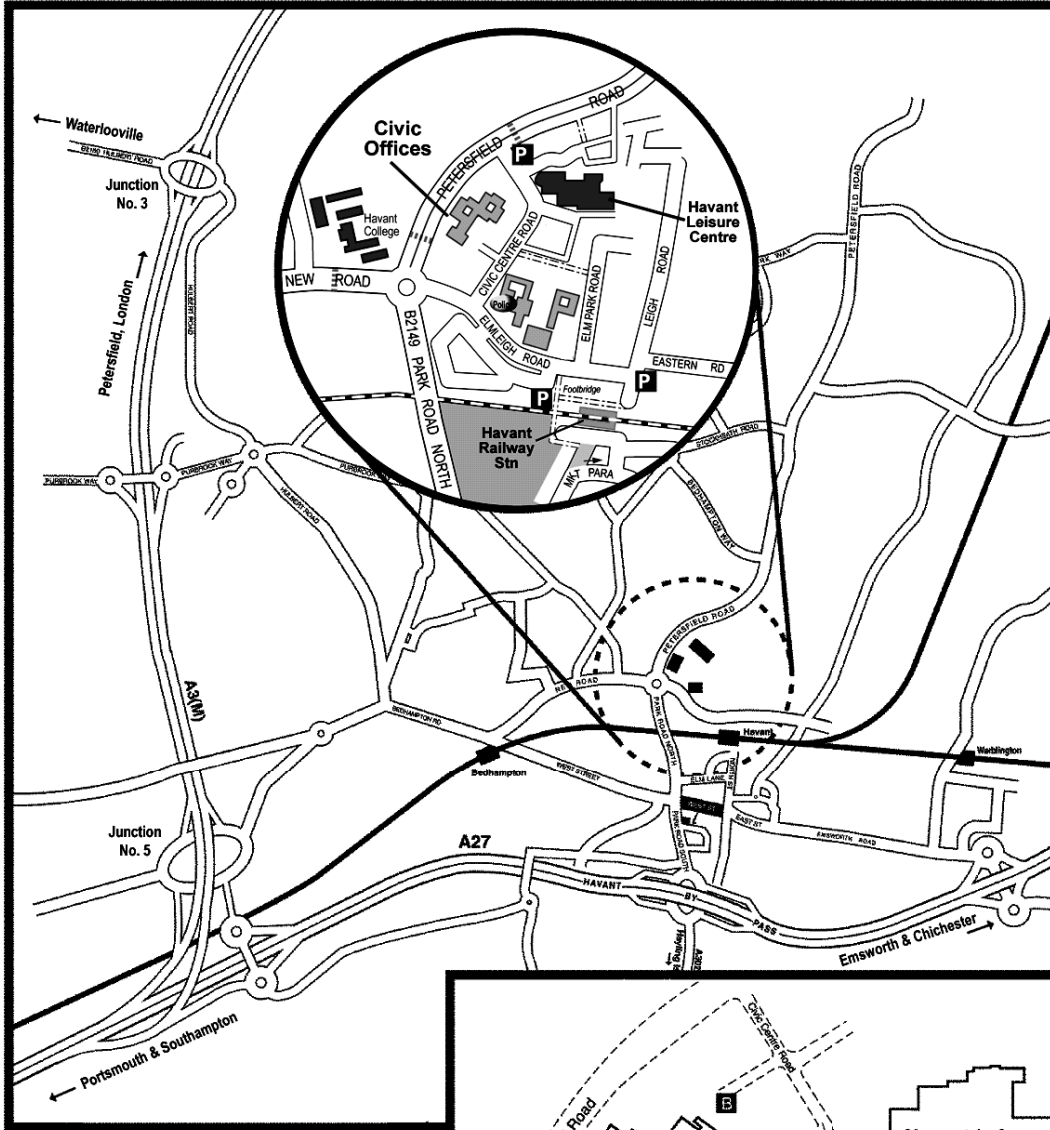
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HAVANT BOROUGH COUNCIL

At a meeting of the Governance & Audit Committee held on 16 September 2014

Present

Councillor Smith K (Chairman)

Councillors Perry, Tarrant, Wilson, Francis and Shimbart

18 Apologies

Apologies for absence were received from Councillors Mrs Smallcorn and Hart.

19 Minutes

RESOLVED that the minutes of the meetings of the Governance and Audit Committee held on 17 June 2014 and 4 August 2014 be approved as a correct record.

20 Matters Arising

There were no matters arising from the minutes of the last meeting.

21 Declarations of Interest

On the advice of the Solicitor to the Council, Councillors K Smith and Wilson gave notice that they would withdraw from the meeting during Minute 30 as they had a personal involvement in the matters to be discussed.

22 Chairman's Report

There were no matters the Chairman wished to report to the Committee

23 External Audit Progress report and Annual Results Report 2013/14

The Committee considered two papers presented by Ernst and Young LLP. Helen Thompson and Ian Young of Ernst and Young LLP joined the meeting for the debate on this item and answered members' questions in connection with the report.

The Audit Progress Report provided the Committee with an overview of the stage reached in the 2013/14 audit and an outline of their plans for the remainder of the year.

The Audit Results Report provided a summary of the preliminary audit conclusion in relation to Havant Borough Council's financial position and results for year ended 31 March 2014.

During the course of the discussion concern was expressed by the Committee that not all Councillors had completed their related party transaction

Governance & Audit Committee (16.9.14)

declarations. It was suggested that the Chairman inform the Leader of the Council about the Committee's concern.

RESOLVED that the report be noted.

24 Statement of Accounts 2013/14 and Letter of Representation

The Committee received the audited Statement of Accounts 2013/14 and the Council's Letter of Representation for approval. The Corporate Accountancy Team Leader answered members questions in connection with the report during the course of the discussion.

RESOLVED that

- 1) The Statement of Accounts for 2013/14 be agreed; and
- 2) The draft Letter of Representation be agreed.

25 Annual Governance Statement 2013/14

The Committee was provided with the Annual Governance Statement for Havant Borough Council which accompanied the 2013/14 Statement of Accounts.

RESOLVED that the report be noted.

26 Internal Audit Progress Report 2014-15

Antony Harvey and Amanda Chalmers of the Southern Internal Audit Partnership presented the Committee with the Internal Audit Progress Report which provided an overview of internal audit activity against assurance work completed in accordance with the approved audit plan.

The Committee was pleased to note that good progress had been made in achieving its performance targets and that no significant issues had been identified.

RESOLVED that the report be noted.

27 Quarterly Update on Corporate Risks from the Executive Board

The Committee received a report from the Executive Head for Governance and Logistics detailing the Council's corporate governance and risk management arrangements for 2014/15.

An overview of the highest corporate risks reviewed by the Joint Executive Board on 5 August 2014 was provided and the details of these noted.

RESOLVED that the most serious corporate risks reviewed by the Joint Executive Board on 5 August be noted.

28 Havant Borough Council Constitution

There was no business to discuss under this item.

29 Local Government Ombudsman

The Solicitor to the Council introduced the Local Government Ombudsman Annual Review Letter 2014 and provided details on the one complaint upheld.

RESOLVED that the Local Government Ombudsman Annual Review Letter 2014 be noted.

30 Code of Conduct Complaints

(Councillors K Smith and Wilson left the meeting room during this item)

A spreadsheet detailing the latest situation regarding code of conduct complaints was circulated and noted by the Committee.

RESOLVED that the report be noted.

The meeting commenced at 5.00 pm and concluded at 6.05 pm

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HAVANT BOROUGH COUNCIL

Governance and Audit Committee

EXTERNAL AUDIT PAPERS - HAVANT BOROUGH COUNCIL Accountant (Financial & Governance)

FOR INFORMATION

Portfolio: FINANCE

Key Decision: No

1.0 Purpose of Report

1.1 To outline the papers to be presented by Ernst & Young LLP.

2.0 Recommendation

2.1 We ask the Committee to note the content of the reports attached to this paper.

3.0 Summary

3.1 To fulfil our responsibilities as your external auditor we are required to present formally the papers attached to this report to those charged with governance.

4.0 Reports

4.1 Audit Progress Report

The purpose of this report is to provide the Governance and Audit Committee with an overview of the stage we have reached in your 2013/14 audit, and an outline of our draft timetable for the 2014/15 audit.

4.2 Annual Audit Letter 2013/14

The purpose of this letter is to communicate to the Members of Havant Borough Council and external stakeholders, including members of the public, the key issues arising from our 2013/14 audit.

5.0 Implications

5.1 Resources: No direct implications

5.2 Legal: No direct implications

5.3 Strategy: No direct implications

5.4 Risks: No direct implications

5.5 Communications: No direct implications

5.6 For the Community: No direct implications

6.0 Consultation: Executive Head of Governance & Logistics

6.1 Appendices:

1. Audit Progress Report

2. 2013/14 Annual Audit Letter

Contact Officer: Kevin Harlow
Job Title: Corporate Accountancy Team Leader
Telephone: 01730 234125
E-Mail: kevin.harlow@easthants.gov.uk

Havant Borough Council

Governance and Audit Committee Progress Report

2 December 2014



Governance and Audit Committee
Havant Borough Council
Public Service Plaza
Civic Centre Road
Havant
PO9 2AX

21 November 2014

Audit Progress Report

We are pleased to attach our Audit Progress Report.

It sets out the work we have completed since our last report to the Committee. Its purpose is to provide the Committee with an overview of the 2013/14 audit, and an outline of our draft timetable for the 2014/15 audit. This Progress Report is a key mechanism in ensuring that our audit is aligned with the Committee's service expectations.

Our audit is undertaken in accordance with the requirements of the Audit Commission Act 1998, the Code of Audit Practice, the Audit Commission Standing Guidance, auditing standards and other professional requirements.

We welcome the opportunity to discuss this report with you as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully



Helen Thompson
Director
For and behalf of Ernst & Young LLP

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In March 2010 the Audit Commission issued a revised version of the 'Statement of responsibilities of auditors and audited bodies' (Statement of responsibilities). It is available from the Chief Executive of each audited body and via the [Audit Commission's website](#).

The Statement of responsibilities serves as the formal terms of engagement between the Audit Commission's appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The Standing Guidance serves as our terms of appointment as auditors appointed by the Audit Commission. The Standing Guidance sets out additional requirements that auditors must comply with, over and above those set out in the Code of Audit Practice 2010 (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This report is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

Work completed 2013/14

Financial Statements

On 18 September 2014 we issued an unqualified audit opinion on the Council's financial statements.

Value for money assessment

On 18 September 2014 we issued an unqualified value for money conclusion.

Whole of government accounts

On 18 September 2014 we reported to the National Audit Office the results of our work performed in relation the accuracy of the Council's consolidation schedules. We did not identify any areas of concern.

Annual Audit Letter

We are presenting our Annual Audit Letter to today's Committee meeting.

Grant claim certification

We have started work on your housing benefit subsidy claim. The deadline for completion is 30 November 2014.

We will issue our annual report on the certification of claims and returns to the next Governance and Audit Committee.

This will complete our work on the 2013/14 audit.

Work completed 2014/15

Audit fee letter

We presented our audit fee letter for 2014/15 to the June 2014 Governance & Audit Committee.

We have included an outline timetable for next year's audit, and we have held some early discussions with the Corporate Accountancy Team Leader about how to improve the closedown process to reduce the number of issues arising from audit.

Timetable 2013/14

We set out below a timetable showing the key stages of the audit, including the value for money work, and the deliverables we will provide to you through the 2013/14 Governance and Audit Committee cycle. We will provide formal reports to the Committee throughout our audit process as outlined below.

Audit phase	EY Timetable	Deliverable	Associated Governance & Audit Committee	Status
High level planning	Ongoing	Audit Fee Letter	March 2013	Completed - Reported to the March 2013 Committee
Risk assessment and setting of scope of audit	Feb – April 2014	Audit Plan	June 2014	Completed - Reported to the June 2014 Committee
Testing of routine processes and controls	Feb – April 2014	Audit Plan	June 2014	Completed - Reported to the June 2014 Committee
Year-end audit	June - August 2014	Audit results report to those charged with governance Audit report (including our opinion on the financial statements and a conclusion as to whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources) Whole of Government Accounts Submission to NAO based on their group audit instructions Audit Completion certificate	September 2014	Completed - Reported to the September 2014 Committee
Annual Reporting	October 2014	Annual Audit Letter	November 2014	Completed – Reported to the December 2014 Committee
Grant Claims	September – November 2014	Annual certification report	March 2015	

Timetable 2014/15

We set out below a timetable showing the key stages of the audit, including the value for money work, and the deliverables we will provide to you through the 2014/15 Governance and Audit Committee cycle. We will provide formal reports to the Committee throughout our audit process as outlined below.

Audit phase	EY Timetable	Deliverable	Associated Governance & Audit Committee	Status
High level planning	Ongoing	Audit Fee Letter	March 2014	Completed - Reported to the June 2014 Committee
Risk assessment and setting of scope of audit	Feb – April 2015	Audit Plan	June 2015	-
Testing of routine processes and controls and early substantive testing	Feb – April 2015	Audit Plan	June 2015	-
Year-end audit	June - August 2015	Audit results report to those charged with governance Audit report (including our opinion on the financial statements and a conclusion as to whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources) Whole of Government Accounts Submission to NAO based on their group audit instructions Audit Completion certificate	September 2015	-
Annual Reporting	October 2015	Annual Audit Letter	December 2015	-

Grant Claims	September – November 2015	Annual certification report	February 2016	-
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Havant Borough Council

Year ending 31 March 2014

Annual Audit Letter

October 2014



The Members of Havant Borough Council
Public Service Plaza
Civic Centre Road
Havant
Hampshire
PO9 2AX

17 October 2014

Dear Members,

Annual Audit Letter

The purpose of this Annual Audit Letter is to communicate to the Members of Havant Borough Council and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to their attention.

We have already reported the detailed findings from our audit work to those charged with governance of Havant Borough Council in the following report:

2013/14 Audit Results Report for Havant
Borough Council

Issued 3 September 2014 and presented to
the Governance and Audit Committee on 16
September 2014

The matters reported here are the most significant for the Authority.

I would like to take this opportunity to thank the officers of Havant Borough Council for their assistance during the course of our work.

Yours faithfully



Helen Thompson
For and behalf of Ernst & Young LLP
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In March 2010 the Audit Commission issued a revised version of the 'Statement of responsibilities of auditors and audited bodies' (Statement of responsibilities). It is available from the Chief Executive of each audited body and via the [Audit Commission's website](#).

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The Standing Guidance serves as our terms of appointment as auditors appointed by the Audit Commission. The Standing Guidance sets out additional requirements that auditors must comply with, over and above those set out in the Code of Audit Practice 2010 (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Audit Letter is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

1. Executive summary

Our 2013/14 audit work has been undertaken in accordance with the Audit Plan we issued on 6 June 2014 and is conducted in accordance with the Audit Commission's Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.

The Authority is responsible for preparing and publishing its Statement of Accounts, accompanied by the Annual Governance Statement. In the Annual Governance Statement, the Authority reports publicly on an annual basis on the extent to which it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of the governance arrangements in the year, and on any planned changes in the coming period. The Authority is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

As auditors we are responsible for:

- ▶ forming an opinion on the financial statements;
- ▶ reviewing the Annual Governance Statement;
- ▶ forming a conclusion on the arrangements that the Authority has in place to secure economy, efficiency and effectiveness in its use of resources; and
- ▶ undertaking any other work specified by the Audit Commission.

Summarised below are the conclusions from all elements of our work:

Audit the financial statements of Havant Borough Council for the financial year ended 31 March 2014 in accordance with International Standards on Auditing (UK & Ireland).	On 18 September 2014 we issued an unqualified audit opinion for the Authority.
Form a conclusion on the arrangements the Authority has made for securing economy, efficiency and effectiveness in its use of resources.	On 18 September 2014 we issued an unqualified value for money conclusion.
Issue a report to those charged with governance of the Authority (the Governance and Audit Committee) communicating significant findings resulting from our audit.	On 3 September we issued our report to the Authority.
Report to the National Audit Office on the accuracy of the consolidation pack the Authority is required to prepare for the Whole of Government Accounts.	We reported our findings to the National Audit Office on 18 September 2014.
Consider the completeness of disclosures in the Authority's Annual Governance Statement, identify any inconsistencies with the other information of which we are aware from our work and consider whether it complies with CIPFA / SOLACE guidance.	No issues to report.
Consider whether, in the public interest, we should make a report on any matter coming to our notice in the course of the audit.	No issues to report.

Determine whether any other action should be taken in relation to our responsibilities under the Audit Commission Act.

No issues to report.

Issue a certificate that we have completed the audit in accordance with the requirements of the Audit Commission Act 1998 and the Code of Practice issued by the Audit Commission.

On 18 September 2014 we issued our audit completion certificate.

Issue a report to those charged with governance of the Authority summarising the certification of grant claims and returns work that we have undertaken.

We will issue our annual certification report to those charged with governance in respect of the 2013/14 financial year in December 2014.

2. Key findings

Financial statement audit

We audited the Authority's Statement of Accounts in line with the Audit Commission's Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission. We issued an unqualified audit report on 18 September 2014.

The main issues identified as part of our audit of your financial statements, including our conclusions in relation to the areas of risk/areas of audit emphasis outlined in our Audit Plan were:

Significant Risk: Risk of management override

Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.

Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud.

We did not identify any material misstatements, evidence of material fraud or other significant matters to report.

Significant Risk: National Non Domestic Rates (NNDR) rateable value appeals provision

The Business Rates Retention Scheme came into force on 1 April 2013. Under the scheme half the business rates collected by councils are retained locally and half paid over to central government. The level of NNDR paid on business property depends on its 'rateable value'. This is calculated by the Valuation Office Agency (VOA).

Where local businesses believe the current value for business properties is wrong they can:

- ▶ appeal to the VOA and ask them to correct details; and
- ▶ appeal the rates if the local business and the VOA can't agree. This appeal is heard by a valuation tribunal.

The potential cost of successful rateable value appeals is significant to the Authority and contains a high level of estimation uncertainty in determining an accurate provision for the cost in the financial statements. Our work focussed on reviewing the accounting transactions made and assessing the reasonableness of the estimation made.

There are no significant issues that we need to report from the work we completed.

Other key finding: Casting and consistency

Compared to previous years, we noted an increase in the number of non-material adjustments required to the draft statements presented for audit. These adjustments were mainly due to casting and cross referencing errors and were all corrected in the final approved financial statements of the Authority.

Value for money conclusion

We are required to carry out sufficient work to conclude on whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

In accordance with guidance issued by the Audit Commission, in 2013/14 our conclusion was based on two criteria:

- ▶ the organisation has proper arrangements in place for securing financial resilience; and
- ▶ the organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

We issued an unqualified value for money conclusion on 18 September 2014.

Our audit did not identify any significant matters.

Objections received

We did not receive any questions or objections to the Authority's 2013/14 financial statements from members of the public.

Whole of government accounts

On 18 September 2014, we reported to the National Audit Office the results of our work performed in relation the accuracy of the consolidation pack the Authority is required to prepare for the whole of government accounts.

We did not identify any areas of concern.

Annual governance statement

We are required to consider the completeness of disclosures in the Authority's Annual Governance Statement, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it complies with CIPFA / SOLACE guidance.

We completed this work and did not identify any areas of concern.

Certification of grants claims and returns

We will issue our annual certification report for the work we carry out on grant claims and returns for the 2013/14 financial year to those charged with governance in December 2014.

3. Control themes and observations

As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit is not designed to express an opinion on the effectiveness of internal control we are required to communicate to those charged with governance at the Authority any significant deficiencies in internal control.

We reported a number of issues in our audit results report. These are shown below and are limited to those deficiencies that we identified during the audit and that we concluded are of sufficient importance to merit being reported.

Description	Impact
<p>Our audit identified a significant number of Councillors and members of the Executive team who had failed to return their annual related party transaction declaration. At the time of giving our audit opinion six Councillors had failed to return their declaration.</p>	<p>Additional procedures were undertaken to gain assurance that there were no undeclared related party transactions, including specific representations from the Authority to confirm there are no undisclosed related parties.</p> <p>This will impact on our risk assessment of the control environment for the 2014/15 audit.</p>
<p>The Authority maintains a fixed asset register which records all the Authority's assets along with any associated impairments, revaluations and depreciation charges.</p> <p>However, for land and building the register is not sufficiently disaggregated to meet the requirements of component accounting as required by International Accounting Standard 16 (IAS16).</p>	<p>Additional procedures were undertaken to verify the split of land and building disclosed in the Authority's whole of government accounts return.</p>
<p>The Authority did not submit the general ledger and payroll data by the agreed deadline. Additionally, the payroll data had to be submitted four times due to the Authority sending incomplete data sets.</p>	<p>Additional audit time was required to process the data sets sent by the Authority.</p>
<p>There were a substantial number of working papers that were not completed and were unavailable at the start of our audit. These were received on a piecemeal basis throughout the audit.</p>	<p>Additional auditor and officer time has been required throughout the audit process, particularly where there have been a number of iterations of the same working paper. Since the completion of the audit, we have held initial discussions with the Corporate Accountancy Team Leader to agree how we can address these issues in advance of the Authority's closedown and financial statements preparation process for 2014/15.</p>

4. Fee update

A breakdown of our proposed final fee is shown below. The increase in the fee was agreed with the Head of Governance and Logistics on 19 September 2014, and is currently being reviewed by the Audit Commission. We will update the Governance and Audit Committee when a final decision by the Audit Commission has been made.

	Proposed final fee 2013/14	Planned fee 2013/14	Scale fee 2013/14	Explanation of variance
	£	£	£	
Total Audit Fee – Code work	63,183	61,500	61,500	The increase of £1,683 relates to additional audit work arising from the issues set out in sections 2 and 3 of this letter.
Certification of claims and returns	12,320*	12,320	12,320	

**Our fee for certification of grants and claims is yet to be finalised for 2013/14 and will be reported to those charged with governance in December 2014 within the Annual Certification Report for 2013/14.*

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HAVANT BOROUGH COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

INTERNAL AUDIT PROGRESS REPORT 2014-15 (10 October 2014)

Head of Southern Internal Audit Partnership

Cabinet Lead: Governance and Logistics – Cllr Jackie Branson

Key Decision: No

1.0 Purpose of Report

1.1 The purpose of this paper is to provide the Governance and Audit Committee with an overview of internal audit activity against assurance work completed in accordance with the approved audit plan and to provide an overview of the status of 'live' reports.

2.0 Recommendation

2.1 That the Governance and Audit Committee note the Internal Audit Progress Report (10 October 2014) as attached.

3.0 Summary

3.1 Under the Accounts and Audit (England) Regulations 2011, the Council is responsible for:

- ensuring that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of functions and includes arrangements for the management of risk; and
- undertaking an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.

3.2 In accordance with the Public Sector Internal Audit Standards and the Council's Internal Audit Charter, the Chief Internal Auditor is required to provide a written status report to the Governance and Audit Committee, summarising:

'communications on the internal audit activity's performance relative to its plan.'

3.3 Appendix 1 summarises the performance of internal audit for the period to 10 October 2014.

4.0 Implications

4.1 Resources:

Internal Audit is provided through the Southern Internal Audit Partnership. The audit plan consisted of 380 audit days and remains fluid throughout the year to meet the changing needs of the Council.

4.2 Legal:

Compliance with the Accounts and Audit (England) Regulations 2011.

4.3 Strategy:

Internal audit plays a vital role in helping the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

4.4 Risks:

The audit needs assessment follows a risk based audit approach taking cognisance of the Council's risk register.

4.5 Communications:

None directly from this report.

4.6 Customers and Community:

None directly from this report although improvements to controls and governance arrangements will ensure more efficient and effective service delivery.

4.7 Integrated Impact Assessment (IIA):

N/A

5.0 Consultation

5.1 The report has been discussed and approved by the Management Team who met at the Executive Board on 4 November 2014.

Appendices:

Appendix 1 – Internal Audit Progress Report (10 October 2014)

Agreed and signed off by:

Legal Services: Jo Barden-Hernandez – 7 November 2014

Finance: Jane Eaton – 4 November 2014

Executive Head of Governance & Logistics: Jane Eaton – 4 November 2014

Contact Officer: Neil Pitman
Job Title: Head of Southern Internal Audit Partnership
Telephone: 01962 845139
E-Mail: neil.pitman@hants.gov.uk

SUBJECT:	Internal Audit: Progress Report
MEETING:	Governance and Audit Committee
DATE OF MEETING:	2 December 2014
REPORT OF:	Head of Internal Audit Partnership
REPORT DATE:	10 October 2014

1 Opinion definitions – From 2013/14 onwards

Opinion	Framework of governance, risk management and management control
Substantial assurance	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate assurance	Basically a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited assurance	Significant weakness identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk.
No assurance	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks.

2 Status of 'live' reports:								
Audit title	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)			
			Original	Current	Reported	Cleared	Pending	Overdue
Finance	Dec 2011	G&L	Substantial*	Substantial*	6 (0)	5 (0)		1 (0)
Development control	Aug 2012	P&BE	Limited*	Substantial*	11 (0)	10 (0)		1 (0)
Operational services procurement	Apr 2013	E&NQ	Limited*	Substantial*	13 (0)	12 (0)		1 (0)
Developer contributions	May 2013	P&BE	Limited*	Substantial*	9 (0)	8 (0)	1 (0)	
Information management	23/08/13	M&D	Limited	Limited	1 (0)			1 (0)
Vehicle maintenance	10/10/13	E&NQ	Adequate	Adequate	5 (1)	3 (1)		2 (0)
Lease income	16/12/13	G&L	Adequate	Adequate	7 (0)	5 (0)	2 (0)	
Accounts payable	06/01/14	G&L	Adequate	Adequate	1 (0)		1 (0)	
Payroll	31/01/14	G&L	Adequate	Adequate	3 (0)	2 (0)		1 (0)
SCOPAC (Standing Conference on Problems Associated with the Coastline) accounts	20/02/14	G&L	Substantial	Substantial	1 (0)		1 (0)	
Partnership management	22/04/14	E&NQ	Limited	Adequate	6 (1)	4 (1)		2 (0)
Health and Safety at work	02/05/14	G&L	Adequate	Adequate	5 (0)	4 (0)		1 (0)

Audit title	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)			
			Original	Current	Reported	Cleared	Pending	Overdue
Asset Acquisition Strategy	13/05/14	G&L	Adequate	Adequate	2 (0)		1 (0)	1 (0)
Computer Audit - Modern Gov	09/06/14	M&D	Adequate	Adequate	5 (0)	3 (0)	2 (0)	
Performance Management Systems	30/06/14	M&D	Adequate	Adequate	5 (5)		5 (5)	
Planning Development Fee Income	01/07/14	P&BE	Adequate	Adequate	4 (0)	2 (0)	2 (0)	
Finance - Budgetary Control	13/08/14	G&L	Adequate	Adequate	2 (0)		2 (0)	
Capital Purchases	19/08/14	G&L	Adequate	Adequate	2 (0)		2 (0)	
Information Management	06/10/14	G&L	Adequate	Adequate	5 (0)		5 (0)	
Licensing	10/10/14	E&NQ	Adequate	Adequate	3 (2)		3 (2)	
Business Continuity Planning	17/10/14	G&L	Adequate	Adequate	3 (0)		3 (0)	
Fuel Management	27/10/14	E&NQ	Adequate	Adequate	14 (0)	5 (0)	9 (0)	

*The audit assessments/opinions are in accordance with the definitions in place prior to 2013/14. See Appendix A for the previous definitions.

Key to Audit Sponsors	
Executive Head Marketing and Development	M&D
Executive Head Governance and Logistics	G&L
Executive Head Environment and Neighbourhood Quality	E&NQ
Executive Head Planning and Built Environment	P&BE
Executive Head Economy and Communities	E&C

3 Internal Audit Performance

The internal audit service is measured against the following key performance targets:

Performance Targets –2014-15		
	Target for Year (%)	Actual to Date (%)
% of revised plan delivered (including 2013-14 c/f)	95	51
Compliant with the Public Sector Internal Audit Standards	Yes	Yes
% of positive customer responses to Quality Appraisal Questionnaire	90	100

4 Planning and Resourcing

The internal audit plan for 2014-15 was prepared following meetings with the Executive Heads and Service Managers and was presented to the Executive Board on 04 February 2014 and was approved by the Governance and Audit Committee on 05 March 2014. The audit plan remains fluid to ensure audit resource is effectively aligned to the Council's needs. Progress against the plan is detailed within section 7.

5 Issues arising

There have been no significant issues arising from internal audit work carried out in accordance with the 2014-15 audit plan.

6 Fraud and Irregularities

There have been no potential fraud and irregularity investigations undertaken to date during 2014/15.

7 Rolling work programme

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
2013-14 Carry Forward Reviews							
Business Continuity Planning	M&D	✓	✓	✓	✓	✓	17/10/14
Performance Management Systems	M&D	✓	✓	✓	✓	✓	30/06/14
Risk management	G&L	✓	✓	✓	✓	✓	27/05/14
Benefits	G&L	✓	✓	✓	✓	✓	02/07/14
Capital Purchases	G&L	✓	✓	✓	✓	✓	19/08/14
Finance - Budgetary Control	G&L	✓	✓	✓	✓	✓	13/08/14
Mod Gov	M&D	✓	✓	✓	✓	✓	09/06/14
2014-15 Reviews							
Corporate Cross Cutting							

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Information management	M&D	✓	✓	✓	✓	✓	06/10/14
HR	M&D						
NFI (National Fraud Initiative)	G&L	n/a	n/a	✓	n/a	n/a	n/a
Project Management	M&D	✓	✓	✓	✓	✓	
Corporate Governance							
Proactive fraud initiatives	G&L	✓	n/a	✓			
Code of Conduct	TBC						
Review of Annual Governance Statement	G&L	✓	n/a	✓	✓	✓	03/09/14
Special Investigations	G&L						
Annual review of effectiveness of Internal Audit	G&L	✓	✓	✓	✓	✓	17/06/14
Financial Management							
Parking	E&C	✓	✓	✓	✓		
Income Collection and Banking	G&L	✓					

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Council Tax	G&L						
Accounts Receivable / Debt Management	G&L	✓					
Finance – Payroll	G&L	✓	✓	✓			
Finance – Treasury Management	G&L	✓	✓	✓			
SCOPAC (Standing Conference on Problems Associated with the Coastline) accounts	G&L						
Information Technology							
Computer implementations (Finance)	M&D	Advice role					
ICT policies and security	M&D						
ICT contract	M&D						
ICT hosted services	M&D	✓	✓	✓			
Corporate objective - economic growth - No audits in 2014/15 plan							
Corporate objective - public service excellence							
Depot Services	E&NQ	✓	✓	✓			

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Fuel Management	E&NQ	✓	✓	✓	✓	✓	27/10/14
Building Control	P&BE						
Licencing	E&NQ	✓	✓	✓	✓	✓	10/10/14
Planning Development – Fee Income	P&BE	✓	✓	✓	✓	✓	30/06/14
Crematorium Partnership	E&NQ						
Impact of Welfare Reform	E&C	✓	✓	✓	✓		
Beach Huts	G&L/E&NQ	✓	✓	✓	✓	✓	
Corporate objective - financial sustainability							
Developers Obligations and Contributions / Community Infrastructure Levy	P&BE	✓	✓	✓	✓		

Key to Audit Sponsors	
Executive Head Marketing and Development	M&D
Executive Head Governance and Logistics	G&L
Executive Head Environment and Neighbourhood Quality	E&NQ
Executive Head Planning and Built Environment	P&BE
Executive Head Economy and Communities	E&C

Appendix A

Opinion	Framework of governance, risk management and management control
Full	<p>Evaluation opinion - There is a sound system of control designed to achieve the system objectives, and</p> <p>Testing opinion – The controls are being consistently applied.</p>
Substantial	<p>Evaluation opinion – While there is a basically sound system there are weaknesses which put some of the control objectives at risk, and/or</p> <p>Testing opinion – There is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.</p>
Limited	<p>Evaluation opinion – Weaknesses in the system of controls are such as to put the system objectives at risk, and/or</p> <p>Testing opinion – The level of non-compliance puts the system objectives at risk.</p>
No Assurance	<p>Evaluation opinion – Control is generally weak leaving the system open to significant error or abuse, and/or</p> <p>Testing opinion – Significant non-compliance with basic controls leaves the system open to error or abuse.</p>

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HAVANT BOROUGH COUNCIL

Governance and Audit Committee

Changes to Corporate Surveillance Policy and Procedure

Report by Senior Lawyer (Contentious)

Cabinet Lead: Councillor Branson

Key Decision: No

1.0 Purpose of Report

The Council's Governance and Audit Committee is requested to amend the Council's Corporate Surveillance Policy, including comments and recommendations made by Sir David Clarke of the Office of Surveillance Commissioners following his inspection on the 3rd September 2014.

2.0 Recommendation

That: the amended Corporate Surveillance Policy be adopted by the Council.

3.0 Summary

Changes in legislation and best practice have necessitated changes to be made to the Council's Corporate Surveillance Policy, which concerns covert surveillance undertaken by the Council in accordance with the Regulation of Investigatory Powers Act 2000 (RIPA). The Council's Constitution requires the Governance and Audit Committee to formally review the Policy.

4.0 Subject of Report

In 2012 the Regulation of Investigatory Powers Act 2000 was amended in two significant ways:

1. In order to carry out covert surveillance authorisation is now required to be obtained from the Magistrates' Court following provisional authorisation by duly authorised Council Officers;
2. Authorisation under the Regulation of Investigatory Powers Act 2000 is now only permitted if the purpose of the surveillance is the prevention or detection of crime(s) punishable by 6 months imprisonment or more, or relates to the sale of alcohol or tobacco to underage persons.

These changes have resulted in a decreased number of authorisations being sought by Council Officers carrying out their duties. In Havant, there has only been one authorisation to carry out covert surveillance in the last 3 years and this was prior to the changes set out above.

As a result of the legislative changes, it is necessary to review and update the Council's Corporate Surveillance Policy. A full review was undertaken in August 2014, but amendments are required following receipt of the OSC Inspector's Report.

The proposed Corporate Surveillance Policy and Procedure is attached.

5.0 Implications

5.1 Resources:

There is no unbudgeted financial resource requirement.

5.2 Legal

The policy updates the Council's approach to the amended RIPA.

5.3 Strategy:

An updated policy supports the Council's ambitions to provide excellent public services, by providing an up-to-date governance framework within which to conduct surveillance.

5.4 Risks: (Environmental, Health & Safety and Customer Access Impact Assessment)

If the policy is not changed, the Office of Surveillance Commissioners have the power to revoke the Council's powers to authorise covert surveillance. This may have an adverse impact on the ability of Officers to carry out their duties.

5.5 Communications:

No external communications are required as a result of this change of policy. However, RIPA has, at times, attracted national controversy, and public messages will need to be managed at the time of the publication of public reports on this.

5.6 For the Community:

This will ensure that any covert surveillance is carried out in accordance with the law and with best practice thereby not infringing Human Right legislation.

6.0 Consultation

Tom Horwood, Executive Director
Solicitor to the Council
Executive Head (Governance and Logistics)
Finance – Jane Eaton
Portfolio Holder – Cllr J Branson

6.1 Appendices: **Amended Corporate Surveillance Policy and Procedure including Appendices**

Background Papers:

None

Agreed and signed off by:

Legal Services: 07.11.14

Executive Head of Governance & Logistics: 07.11.14

Relevant Executive Head: 07.11.14

Portfolio Holder: Cllr Branson

Contact Officer: Sara Bryan
Job Title: Senior Lawyer (Contentious)
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Corporate Surveillance Policy And Procedure

CORPORATE SURVEILLANCE POLICY AND PROCEDURE

THE REGULATION OF INVESTIGATORY POWERS ACT 2000

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d. CHIS Renewal	

6. Application for Judicial Approval and Draft Order

CORPORATE SURVEILLANCE POLICY

1.0 BACKGROUND

1.1 Summary

The Regulation of Investigatory Powers Act 2000 ('RIPA') brought into force the regulation of covert investigation by a number of bodies, including local authorities. RIPA regulates a number of investigative procedures, the most recent of which is the access to communications data. This document and the related procedure is intended to provide officers with guidance on the use of covert surveillance, Covert Human Intelligence Sources ('Sources') and the obtaining and disclosure of communications data under RIPA. Officers must take into account the Codes of Practice issued under RIPA (RIPA may be found at: www.legislation.gov.uk/ukpga/2000/23/contents and the Codes of Practice may be found at: www.gov.uk/government/collections/ripa-codes).

1.2 Background

The Human Rights Act 1998 requires the Council, and organisations working on its behalf, pursuant to Article 8 of the European Convention, to respect the private and family life of a citizen, his home and his correspondence. The European Convention did not, however, make this an absolute right, but a qualified right. Accordingly, in certain circumstances, the Council may interfere in the citizen's right mentioned above, if such interference is:

- (a) in accordance with the law
- (b) necessary (as defined in this document); and
- (c) proportionate (as defined in this document).

In exceptional circumstances, Council Officers may engage in covert surveillance. RIPA provides a statutory mechanism for authorising certain types of surveillance. It seeks to ensure that any interference with an individual's right under Article 8 of the European Convention is necessary and proportionate. In doing so, RIPA seeks to ensure both the public interest and the human rights of individuals are suitably balanced.

If the correct procedures are not followed, evidence may be disallowed by the courts, a complaint of maladministration could be made to the Ombudsman, and/or the Council could be ordered to pay compensation. It is essential, therefore, that all involved with RIPA comply with this document and any further guidance that may be issued, from time to time, designated Senior Responsible Officer identified by the Council's Constitution. Currently this is Tom Horwood, Executive Director.

Each officer of the Council with responsibilities for the conduct of investigations, shall, before carrying out any investigation involving RIPA, undertake appropriate training to ensure that investigations and operations that he/she carries out will be conducted lawfully. The RIPA Co-ordinator is Sara Bryan, Solicitor.

The Senior Responsible Officer's role is to ensure the integrity of the process within the Council and its compliance with RIPA; to have oversight of reporting of errors to the relevant oversight commissioner; responsibility for engagement with the Office of Surveillance Commissioners when they conduct their inspections and where necessary, oversight of the implementation of any post-inspection action plan. The Senior Responsible Officer will also ensure that councillors have the opportunity to review the Council's use of RIPA.

This policy has been prepared to set out the relevant responsibilities and to ensure that any covert surveillance or the conduct and use of covert human intelligence sources is conducted by officers in a manner that will comply with the safeguards embodied in the Human Rights Act 1998 and RIPA. Pursuance of this policy will assist the Council if it is required at any time to demonstrate that it has acted lawfully.

1.3 Review

RIPA and this document are important for the effective and efficient operation of the Council's actions with regard to surveillance. This policy and its related procedure will, therefore be kept under yearly review by the Senior Responsible Officer and by the Council's Governance and Audit Committee. Authorising Officers must bring any suggestions for continuous improvement of this document to the attention of the Senior Responsible Officer at the earliest possible opportunity.

1.4 Scope

RIPA covers the authorisation of directed surveillance, the authorisation of sources and the authorisation of the obtaining of communications data. Communications data includes information relating to the use of a postal service or telecommunications system but does not include the contents of the communication itself, contents of e-mails or interaction with websites. An authorisation under RIPA will provide lawful authority for the investigating officer to carry out surveillance.

In terms of monitoring e-mails and internet usage, it is important to recognise the interplay and overlaps with the Council's e-mail and internet policies and guidance, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 and the Data Protection Act 1998.

RIPA forms should be used where **relevant** and they will only be relevant where the **criteria** listed on the forms are fully met.

2 COVERT SURVEILLANCE PROCEDURE

2.1 Definition of Surveillance

2.1.1 'Surveillance' includes:

- a) monitoring, observing or listening to persons, their movements, their conversations or their other activities or communication;
- b) recording anything monitored, observed or listened to in the course of surveillance; and
- c) surveillance by or with the assistance of a surveillance device.

Surveillance includes the interception of postal and telephone communications where the sender or recipient consents to the reading of or listening to or recording of the communication. This is a form of directed surveillance.

Covert Surveillance is surveillance carried out in manner calculated to ensure that subjects are unaware that it is or may be taking place. Covert Surveillance involves the systematic surveillance of an individual. The everyday functions of law enforcement will not usually involve covert surveillance.

2.2 Confidential Material

Particular care should be taken in cases where the subject of the investigation or operation might reasonably expect a high degree of privacy, or where confidential information is involved. Confidential information consists of matters subject to legal privilege, confidential personal information, confidential journalistic material and communications between an MP and a constituent.

Applications in which the surveillance is likely to result in the acquisition of confidential material will only be considered in exceptional and compelling circumstances with full regard to the proportionality issues this raises.

The Authorising Officer shall give the fullest consideration to any cases where the subject of the surveillance might reasonably expect a high degree of privacy, for instance in his or her home.

Where a likely consequence of surveillance would result in the acquisition of confidential material, the investigating officer must seek authorisation from the Chief Executive, or, in her absence, the Senior Responsible Officer .

3. DIRECTED AND INTRUSIVE SURVEILLANCE

3.1 Directed Surveillance

Directed surveillance is surveillance which is covert, but not intrusive, and undertaken:

- a) for the purposes of a specific investigation or specific operation;
- b) in such a manner as is likely to result in the obtaining of private information about a person (whether or not one specifically identified for the purposes of the investigation or operation); and
- c) otherwise than by way of an immediate response to events or circumstances the nature of which is such that it would not be reasonably practicable for an authorisation under RIPA to be sought for the carrying out of the surveillance.

Directed Surveillance is the type of surveillance with which Council Officers may be involved.

3.2 Intrusive Surveillance

Local authorities are not authorised to carry out intrusive surveillance.

That surveillance becomes intrusive if the covert surveillance:

- a) is carried out by means of a surveillance device in relation to anything taking place on any residential premises or in any private vehicle; or
- b) is carried out without that device being present on the premises or in the vehicle, is not intrusive unless the device is such that it consistently provides information of the same quality and detail as might be expected to be obtained from a device actually present on the premises or in the vehicle, or
- c) is carried out in places ordinarily used for legal consultation, at a time when they are being used for such consultations.

Therefore directed surveillance turns into intrusive surveillance if it is carried out involving anything that occurs on residential premises or any private vehicle and involves the presence of someone on the premises or in the vehicle or is carried out by means of a surveillance device OR when directed surveillance is carried out in places ordinarily used for legal consultation, at a time when they are being used for such consultations.

For intrusive surveillance relating to residential premises or private vehicles, if any device used is not on the premises or in the vehicle, it is only intrusive surveillance if it consistently produces information of the same quality as if it were.

Where covert surveillance is carried out by a device designed or adapted principally for the purpose of providing information about the location of a vehicle, the activity is directed surveillance.

Commercial premises and vehicles are therefore excluded from intrusive surveillance.

4. IDENTIFYING DIRECTED SURVEILLANCE

Ask yourself the following questions:

4.1 Is the surveillance covert?

Covert surveillance is any surveillance that is carried out in a manner calculated to ensure that the persons subject to the surveillance are unaware that it is or may be taking place. If your activities are not hidden from the subjects of your investigation, you are not within the RIPA framework at all. In many cases, Officers will be behaving in the same way as a normal member of the public (eg in the case of most test purchases), and/or will be going about Council business openly (eg a market inspector walking through markets).

Similarly, surveillance will be overt if the subject has been told it will happen (eg where a noisemaker is warned (preferably in writing) that noise will be recorded if the noise continues, or where an entertainment licence is issued subject to conditions, and the licensee is told that officers may visit without notice or identifying themselves to the owner/proprietor to check that conditions are being met.

It should be noted that if the same outcome can be achieved by overt means then those means need to be fully explored in the first instance. Covert surveillance must only be undertaken when there is no less invasive way of achieving the outcome.

4.2 Is the surveillance for the purposes of a specific investigation or a specific operation?

Although the provisions of the Act do not normally cover the use of overt CCTV surveillance systems, since members of the public are aware that such systems are in use, there may be occasions when public authorities use overt CCTV systems for the purposes of a specific investigation or operation. For example, if the CCTV cameras are targeting a particular known offender. In such cases, authorisation for directed surveillance may be necessary.

4.3 Is the surveillance in such a manner that is likely to result in the obtaining of private information about a person?

Private information includes any information relating to a person's private or family life. The concept of private information should be broadly interpreted to include an individual's private or personal relationship with others. It includes an individual's business and family relationships. Family life itself should be treated as extending beyond the formal relationships created by marriage.

4.4 Is the surveillance otherwise than by way of an immediate response to events or circumstances where it is not reasonably practicable to get authorisation?

Directed surveillance does not include covert surveillance carried out by way of an immediate response to events or circumstances which, by their very nature, could not have been foreseen. For example, a police officer would not require an authorisation to conceal himself and observe a suspicious person that he came across in the course of a patrol.

However, if as a result of that immediate response, you undertake a specific investigation you will need authorisation.

5. COVERT HUMAN INTELLIGENCE SOURCES

5.1 Definition

A person is a source (CHIS) if:

- a) he establishes or maintains a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within paragraph (b) or (c);
- b) he covertly uses such a relationship to obtain information or to provide access to any information to another person; or
- c) he covertly discloses information obtained by the use of such a relationship or as a consequence of the existence of such a relationship.

A source may include those referred to as agents, informants and officers working undercover.

A purpose is covert, in relation to the establishment or maintenance of a personal or other relationship, if and only if, the relationship is conducted in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the purpose.

A relationship is used covertly, and information obtained is disclosed covertly, if and only if it is used or disclosed in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the use or disclosure in question.

The use of a source involves inducing, asking or assisting a person to engage in the conduct of a source, or to obtain information by means of the conduct of such a source.

This covers the use of professional witnesses to obtain information and evidence. For example, it will include professional witnesses retained by Housing to pose as tenants to obtain information and evidence against alleged nuisance perpetrators.

The use or conduct of a source to obtain knowledge of matters subject to legal privilege must be subject to the **prior approval of the Surveillance Commissioner**.

Carrying out test purchases will not require the purchaser to establish a relationship with the supplier with the covert purpose of obtaining information and, therefore, the purchaser will not normally be a CHIS. For example, authorisation would not normally be required for test purchases carried out in the ordinary course of business (eg walking into a shop and purchasing a product over the counter). By contrast, developing a relationship with a person in the shop, to obtain information about the seller's suppliers of an illegal product will require authorisation as a CHIS. Similarly, using mobile hidden recording devices or CCTV cameras to record what is going on in the shop will require authorisation as directed surveillance.

The Code of Practice states that the provisions of RIPA are not intended to apply in circumstances where members of the public volunteer information to the police or other authorities, as part of their normal civic duties, or to contact numbers set up to receive information (such as Crimestoppers, Customs Confidential, the Anti Terrorist Hotline, or the Security Service Public Telephone Number). Members of the public acting in this way would not generally be regarded as sources, so long as they provide information from their own observations.

However, asking a source to obtain information should not be used as the sole benchmark in seeking a CHIS authorisation. It is the activity of the CHIS in exploiting a relationship for a covert purpose which is ultimately authorised by the 2000 Act, whether or not that CHIS is asked to do so. It is possible therefore that a person will become engaged in the conduct of a CHIS without being induced, asked or assisting the person to engage in that conduct.

An authorisation under RIPA will provide lawful authority for the use of a source.

6. COMMUNICATIONS DATA

6.1 Definition

This covers any conduct in relation to a postal service or telecommunications system for obtaining communications data and the disclosure to any person of such data. For these purposes, communications data includes information relating to the use of a postal service or telecommunications system but does not include the contents of the communication itself, content of emails or interaction with websites.

Council Officers do not obtain communications data

7. AUTHORISATION PROCEDURE

7.1 General

Authorisation is required for the use of directed surveillance, for the conduct and use of sources and for the conduct in relation to a postal service or telecommunication system and the disclosure to any person of such data. Authorisation for directed surveillance can only be granted if the purpose of the surveillance is the prevention or detection of crime(s) punishable by 6 months imprisonment or more, or relates to the sale or alcohol or tobacco to underage persons.

Any officer who undertakes investigations on behalf of the Council shall seek provisional authorisation in writing from an Authorising Officer in relation to any directed surveillance or for the conduct and use of any source. Each provisional authorisation then needs to receive judicial approval before being acted upon.

Flowcharts which may be of use when considering whether to undertake covert surveillance or the use of CHIS are at **Appendices 2 & 3**.

7.2 Who can give Provisional Authorisations?

By law, the 'Authorising Officer' for local authority purposes is any assistant Chief Officer, assistant Head of Service, service manager or equivalent. An Authorising Officer may grant a provisional authorisation, but this authorisation will not take effect until it receives judicial approval (See paragraph 7.4). Please note that certain provisional authorisations, namely those relating to confidential information, vulnerable individuals and juvenile sources, can only be granted by the Chief Executive, or, in her genuine absence, the Senior Responsible Officer.

The Council's authorised posts are listed in **Appendix 1**. This appendix will be kept up to date by the Senior Responsible Officer and added to as needs require. If any council manager wishes to add, delete or substitute a post, a request must be referred to the Senior Responsible Officer for consideration as necessary.

It will be the responsibility of Authorising Officers who have been duly certified to ensure their relevant members of staff are also suitably trained as 'applicants' so as to avoid common mistakes appearing on forms for RIPA authorisations.

Training will be given before Authorising Officers are certified to sign any RIPA forms. A central register of all those individuals who have undergone training will be kept by the Solicitor to the Council.

Authorising Officers will also ensure that staff who report to them follow this guidance document and do not undertake or carry out any form of

surveillance without first obtaining the relevant authorisations in compliance with this document.

Authorising Officers must also ensure that, when sending copies of any forms to the Solicitor to the Council, the same are sent in sealed envelopes and marked 'Strictly Private and Confidential'.

Any equipment to be used in any approved surveillance must be properly controlled,
recorded and maintained for audit purposes.

7.3 Grounds for Authorisation – the 'necessary & proportionate' test

An Authorising Officer has a number of obligations within the provisions of the Act, which must be met before carrying out any form of surveillance.

An Authorising Officer shall not grant a provisional authorisation for the carrying out of directed surveillance, or for the use of a source or for the obtaining or disclosing of communications data unless he believes:

- a) that a provisional authorisation is necessary and
- b) the provisionally authorised investigation is proportionate to what is sought to be achieved by carrying it out.

For local authority investigations, provisional authorisation is deemed "**necessary**" in the circumstances of the particular case if it is for the purpose of preventing or detecting crime.

Conduct is not deemed "**proportionate**" if the pursuance of the legitimate aim listed above will not justify the interference if the means used to achieve the aim are excessive in the circumstances. Any conduct must meet the objective in question and must not be arbitrary or unfair nor must the impact on any individuals or group be too severe. The conduct must also be the least invasive method of achieving the end and the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation must be assessed and taken into account (see Collateral Intrusion below).

Consideration must be given to the seriousness of the offence under consideration. Authorisation for directed surveillance can only be granted if the purpose of the surveillance is the prevention or detection of crime(s) punishable by 6 months imprisonment or more, or relates to the sale or alcohol or tobacco to underage persons. Covert surveillance relating to dog fouling and suspected false addresses will not be deemed a proportionate activity.

Careful consideration needs to be made by authorising officers of all of these points. Such consideration needs to be demonstrated on the authorisation form in the relevant parts. Authorising Officers must exercise their minds every time they are asked to sign a form. They must never sign or rubber

stamp the form without thinking about their personal and the Council's responsibilities. Any boxes not needed on the form/s must be clearly marked as being 'not applicable' or a line put through the same. Great care must also be taken to ensure accurate information is used and inserted in the correct boxes. Reasons for any refusal of an application must also be kept on the form and retained for future audits.

Authorising Officers should not be responsible for authorising investigations or operations in which they are directly involved.

Collateral Intrusion

Before provisionally authorising investigative procedures, the Authorising Officer shall also take into account the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation or operation (collateral intrusion). The investigating officer shall take measures, wherever practicable, to avoid or minimise unnecessary intrusion into the lives of those not directly connected with the investigation or operation.

An application for a provisional authorisation shall include an assessment of the risk of any collateral intrusion. The Authorising Officer shall take this into account, when considering the proportionality of the surveillance.

Where an operation unexpectedly interferes with the privacy of individuals who were not the subject of surveillance or covered by the authorisation in some other way, the investigating officer should inform the Authorising Officer.

7.4 Judicial Approval of Provisional Authorisations and Renewals

The Council is only able to grant a provisional authorisation or renewal to conduct covert surveillance. All provisional authorisations and renewals must be approved by the Magistrates Court before surveillance commences.

The Council must apply to the local Magistrates Court for an Order approving the grant or renewal of an authorisation. A template application form and draft Order are included at **Appendix 6** to this policy. In order to obtain judicial approval, the first page of the template form must be completed and submitted along with a copy of the provisional authorisation and any other relevant supporting documents.

The Council does not need to give notice of the application to the person(s) subject to the application or their legal representatives. If the Magistrates Court refuse to approve the application, they may also make an order quashing the provisional authorisation.

The Magistrates will consider the provisionally authorised application or renewal, and will need to satisfy themselves satisfied that:

- a) At the time of provisional authorisation, there were reasonable grounds for believing that the tests of necessity and proportionality were satisfied in relation to the authorisation, and that those grounds still exist;
- b) That the person who granted provisional authorisation was an appropriately designated person;
- c) The provisional grant or renewal of any authorisation or notice was not in breach of any restrictions imposed under RIPA; and
- d) Any other conditions provided for by an order made by the Secretary of State were satisfied.

The Council's Legal Team will generally make applications for judicial approval to the Magistrates Court on behalf of the Council.

7.5 Urgency

Urgent authorisations are no longer available in relation to directed surveillance or covert human intelligence sources.

7.6 Standard Forms

All authorisations must be in writing.

Standard forms for seeking provisional directed surveillance and covert human intelligence source authorisations are provided at **Appendices 4 & 5**. The standard form for obtaining judicial approval is provided at **Appendix 6**. All authorisations shall be sought using the standard forms as amended from time to time.

8. ACTIVITIES BY OTHER PUBLIC AUTHORITIES CONTRACTORS AND PARTNERS

8.1 The investigating officer shall make enquiries of other public authorities e.g. the police whether they are carrying out similar activities if he considers that there is such a possibility in order to ensure that there is no conflict between the activities of this Council and those other public authorities.

8.2 Contractors and Partners

Employees of a private company, such as Capita, are not permitted to make applications to carry out covert surveillance. Any employee of such a company considering the need to carry out surveillance should contact a member of the Council's Legal Team who may make an application on their behalf, ensuring that the Legal Officer is fully briefed on the details of the case and the planned surveillance.

Any employee of a partner organisation considering the need to carry out surveillance should contact a member of the Council's Legal Team who may make an application on their behalf, ensuring that the Legal Officer is fully briefed on the details of the case and the planned surveillance.

9. JOINT INVESTIGATIONS

9.1 When some other agency has been instructed on behalf of the Council to undertake any action under RIPA, this document and the forms in it must be used (as per normal procedure) and the agency advised or kept informed, as necessary, of the various requirements. They must be made aware explicitly what they are authorised to do.

When some other agency (eg police, Customs & Excise, Inland Revenue etc):

- (a) wish to use the Council's resources (eg CCTV surveillance systems), that agency must use its own RIPA procedures and, before any officer agrees to allow the Council's resources to be used for the other agency's purposes, he must obtain a copy of that agency's RIPA form for the record and/or relevant extracts from the same which are sufficient for the purposes of protecting the Council and the use of its resources
- (b) wish to use the Council's premises for their own RIPA action, the officer should, normally, co-operate with the same, unless there are security or other good operational or managerial reasons as to why the Council's premises should not be used for the agency's activities. In such cases, the Council's own RIPA forms should not be used as the Council is only assisting and not being involved in the RIPA activity of the external agency.

In terms of (a), if the police or other agency wish to use the Council's resources for general surveillance, as opposed to specific RIPA authorisations, an appropriate letter requesting the proposed use, remit, duration, details of who will be undertaking the general surveillance and the purpose of it must be obtained from the police or other agency before any Council resources are made available for the proposed use.

10. DURATION, RENEWALS AND CANCELLATION OF AUTHORISATIONS

10.1 Duration

Authorisations must be reviewed in the time stated and cancelled once no longer needed.

Authorisations last for:

- a) 12 months from the date of the judicial approval for the conduct or use of a source

- b) three months from the date of judicial approval for directed surveillance
- c) one month from the date of judicial approval for communications data, or earlier if cancelled under Section 23(8) of the Act.

However, whether the surveillance is carried out/conducted or not in the relevant period, does not mean that the authorisation is spent. Authorisations do not expire, they have to be reviewed, or cancelled if no longer required.

10.2 Reviews

The Authorising Officer shall undertake regular reviews of authorisations to assess the need for the surveillance to continue. The results of a review should be recorded on the central record of authorisations. Where the surveillance provides access to confidential information or involves collateral intrusion the officer should conduct frequent reviews.

Standard review forms for directed surveillance and CHIS are attached at **Appendices 4 & 5**.

10.3 Renewals

Authorisations may be renewed more than once, if necessary, and the renewal should be kept/recorded as part of the central record of authorisations.

Authorisations can be renewed in writing shortly before the maximum period has expired. An authorisation cannot be renewed after it has expired. The Authorising Officer must consider the matter afresh, including taking into account the benefits of the surveillance to date and any collateral intrusion that has occurred. The renewal will begin on the day when the authorisation would have expired, provided the necessary judicial approval has been obtained.

A further requirement in relation to renewal of covert human intelligence sources, is that judicial approval will only be granted if the Magistrates are satisfied that a review has been carried out, which considers:

- the use made of the source in the period since authorisation was granted (or the last renewal); and
- the tasks given to the source during that period, and the information obtained from the conduct or use of the source.

and for the purposes of making an Order, the Magistrates have considered the results of that review.

The Authorising Officer who granted or last renewed the authorisation must cancel it if he is satisfied that the investigative procedure no longer meets the criteria upon which it was authorised.

Standard renewal forms for the authorisation of directed surveillance and CHIS are attached at **Appendices 4 & 5**.

10.4 Cancellations

An Authorising Officer shall cancel a notice or authorisation as soon as it is no longer necessary, or the conduct is no longer proportionate to what is sought to be achieved.

Cancellation forms for directed surveillance and CHIS are attached at **Appendices 4 & 5**.

11. RECORDS

The Council must keep a detailed record of all authorisations, reviews, renewals, cancellations and rejections in departments and a central register of all such forms will be maintained by the Solicitor to the Council.

11.1 Central record of all Authorisations

The Solicitor to the Council shall hold a centrally retrievable record of all provisional and judicially approved authorisations. The Authorising Officer must notify and forward a copy of any provisional notice or authorisation granted, renewed or cancelled and any judicial approval received or refused within 1 week of the event to the Solicitor to the Council to ensure that the records are regularly updated.

The record will be made available to the relevant Commissioner or an Inspector from the Office of Surveillance Commissioners. These records will be retained for a period of three years from the ending of the authorisation. A record will be kept of the dates on which the authorisation notice is started and cancelled.

The records submitted to the Solicitor to the Council shall contain the following information:

- a) the type of authorisation or notice
- b) the date the provisional authorisation or notice was given;
- c) name and rank/grade of the authorising officer;
- d) the date judicial approval was received or refused;
- e) the unique reference number (URN) of the investigation or operation;
- f) the title of the investigation or operation, including a brief description and names of subjects, if known;

- g) if the authorisation or notice is renewed, when it was renewed and who authorised the renewal, including the name and rank/grade of the authorising officer and the date of judicial approval;
- h) whether the investigation or operation is likely to result in obtaining confidential information;
- i) the date the authorisation or notice was cancelled.

The Senior Responsible Officer will monitor the submission of provisional and judicially approved authorisations and notices and give appropriate guidance, from time to time, or amend any provisional or draft document as necessary.

11.2 Records maintained in the Department

The Authorising Officer shall maintain the following documentation, which need not form part of the centrally retrievable record:

- a) a copy of the application and provisional authorisation or notice together with a copy of any order of judicial approval or refusal, as well as any supplementary documentation and notification of the approval given by the Authorising Officer;
- b) a record of the period over which the surveillance has taken place;
- c) the frequency of reviews prescribed by the Authorising Officer;
- d) a record of the result of each review of the authorisation or notice;
- e) a copy of any renewal of an authorisation or notice, together with judicial approval or refusal and the supporting documentation submitted when the renewal was requested;
- f) the date and time when any instruction was given by the Authorising Officer.
- g) the unique reference number for the authorisation (URN)

Each form must have a URN provided by the Solicitor to the Council. The Authorising Officers will issue the relevant URN to applicants. The cross-referencing of each URN takes place within the form for audit purposes. Rejected forms will also have URN's.

11.3 Other Record of Covert Human Intelligence Sources

Proper records must be kept of the authorisation and use of a source. An Authorising Officer must not grant a provisional authorisation for the use or conduct of a source unless he believes that there are arrangements in place

for ensuring that there is at all times a person with the responsibility for maintaining a record of the use made of the source.

The records shall contain the following information:

- (a) the identity of the source;
- (b) the identity, where known, used by the source;
- (c) any relevant investigating authority other than the Council;
- (d) the means by which the source is referred to within each relevant investigating authority;
- (e) any other significant information connected with the security and welfare of the source;
- (f) any confirmation made by a person granting or renewing an authorisation for the conduct or use of a source that the information in paragraph (d) has been considered and that any identified risks to the security and welfare of the source have where appropriate been properly explained to and understood by the source;
- (g) the date when, and the circumstances in which, the source was recruited;
- (h) the identities of the persons who, in relation to the source;
 - i. hold day-to-day responsibility for dealing with the source and for the source's security and welfare
 - ii. have a general oversight of the use made of the source (not to be the person identified in (h)(i))
 - iii. have responsibility for maintaining a record of the use made of the source
- (i) the periods during which those persons have discharged those responsibilities;
- (j) the tasks given to the source and the demands made of him in relation to his activities as a source;
- (k) all contacts or communications between the source and a person acting on behalf of any relevant investigating authority;
- (l) the information obtained by the conduct or use of the source;
- (m) any dissemination of information obtained in that way; and
- (n) in the case of a source who is not an undercover operative, every payment, benefit or reward and every offer of a payment, benefit or reward

that is made or provided by or on behalf of any relevant investigating authority in respect of the source's activities for the benefit of that or any other relevant investigating authority.

12. RETENTION AND DESTRUCTION

12.1 Material obtained from properly authorised surveillance or a source may be used in other investigations. Arrangements shall be in place for the handling, storage and destruction of material obtained through the use of covert surveillance, a source or the obtaining or disclosure of communications data. Authorising Officers must ensure compliance with the appropriate data protection requirements and any relevant Corporate Procedures relating to the handling and storage of material.

12.2 Where the product of surveillance could be relevant to pending or future proceedings, it should be retained in accordance with established disclosure requirements for a suitable period and subject to review.

13. CONSEQUENCES OF IGNORING RIPA

13.1 RIPA states that if authorisation confers entitlement to engage in a certain conduct and the conduct is in accordance with the authorisation, then **it shall be lawful for all purposes.**

Where there is interference with the right to respect for private and family life guaranteed under Article 8 of the European Convention on Human Rights, and where there is no other source of lawful authority, the consequence of not obtaining an authorisation under RIPA may be that the action is unlawful by virtue of section 6 of the Human Rights Act 1998.

Officers shall seek an authorisation where the directed surveillance, the use of a source or the obtaining or disclosure of communications data is likely to interfere with a person's Article 8 rights to privacy by obtaining private information about that person, whether or not that person is the subject of the investigation or operation. Obtaining an authorisation will ensure that the action is carried out in accordance with law and subject to stringent safeguards against abuse.

14. SCRUTINY OF INVESTIGATORY BODIES

14.1 The Office or Surveillance Commissioners (OSC) has been established under RIPA to facilitate independent scrutiny of the use of RIPA powers by the investigatory bodies that are subject to it. The Commissioners will inspect Councils to ensure compliance with RIPA and can audit/review the Council's policies and procedures, and individual authorisations. Further detail can be found at www.surveillancecommissioners.gov.uk

14.2 There is also a statutory complaints system welcomed by the Council. The Investigatory Powers Tribunal has been established under RIPA to deal with complaints from members of the public about the use or conduct by

public authorities of these powers. The Tribunal is separate from the OSC. The Council welcomes this external scrutiny. It expects its officers to cooperate fully with these statutory bodies and to bring forward any proposals for improvement that may follow on from an inspection report or a Tribunal hearing.

**IF IN DOUBT ADVICE MUST BE SOUGHT FROM
THE SOLICITOR TO THE COUNCIL**

APPENDIX 1

REGULATION OF INVESTIGATORY POWERS ACT 2000

List of Authorising Officers

List of persons empowered to provisionally authorise surveillance which is not likely to result in the acquisition of confidential information

Surveillance, which is not likely to result in the acquisition of confidential information, requires an authorised officer to grant the provisional authorisation.

The authorised person must be:

- Solicitor to the Council
- Executive Head for Environment and Neighbourhood Quality
- Executive Head Planning and Built Environment
- Service Manager Revenues & Benefits

NB. The power to authorise surveillance under RIPA cannot be delegated to anyone else

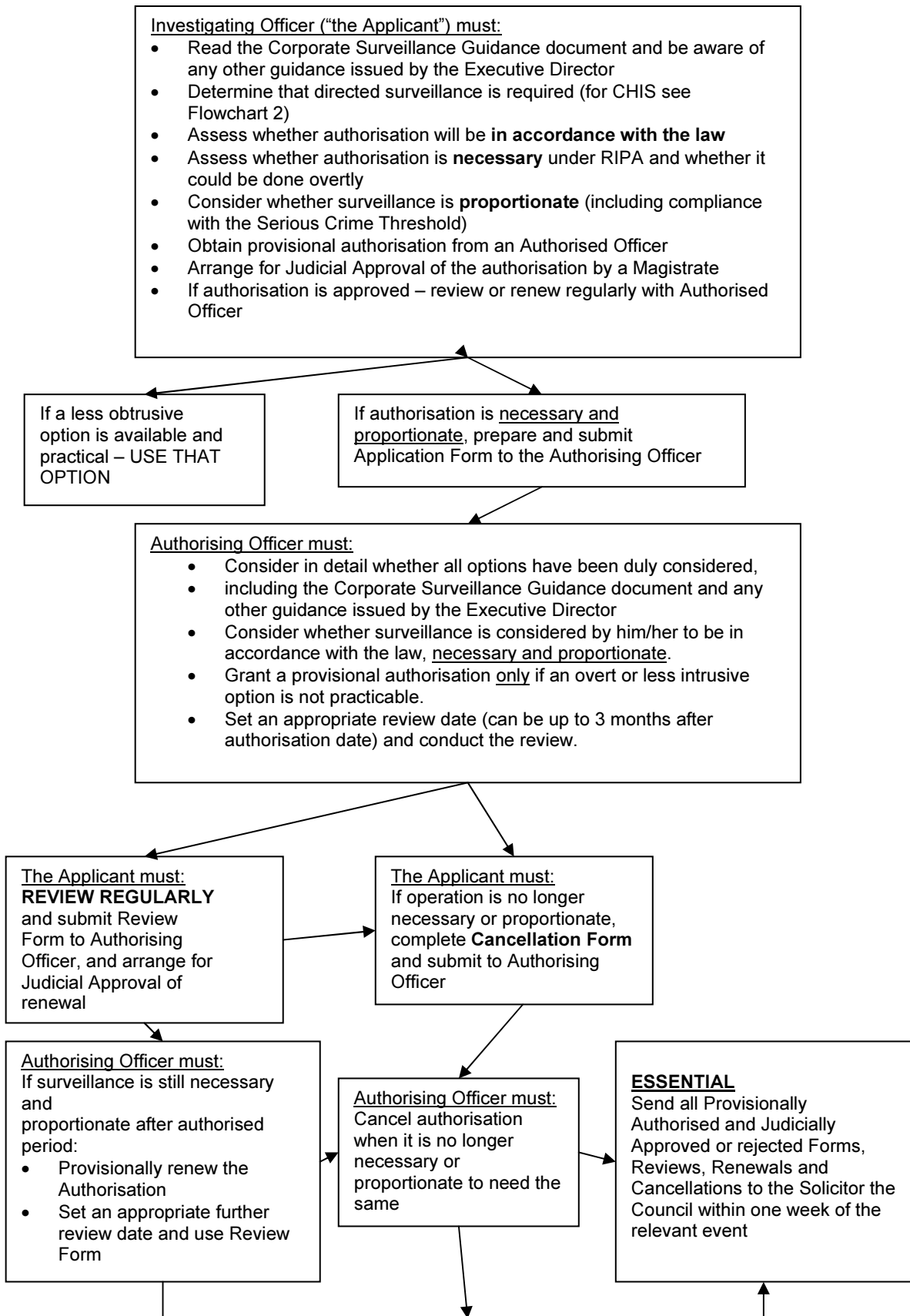
List of persons empowered to provisionally authorise surveillance which is likely to result in the acquisition of confidential information

Surveillance which is likely to result in the acquisition of confidential information requires provisional authorisation from:

- Chief Executive
- Or in her absence the Executive Director

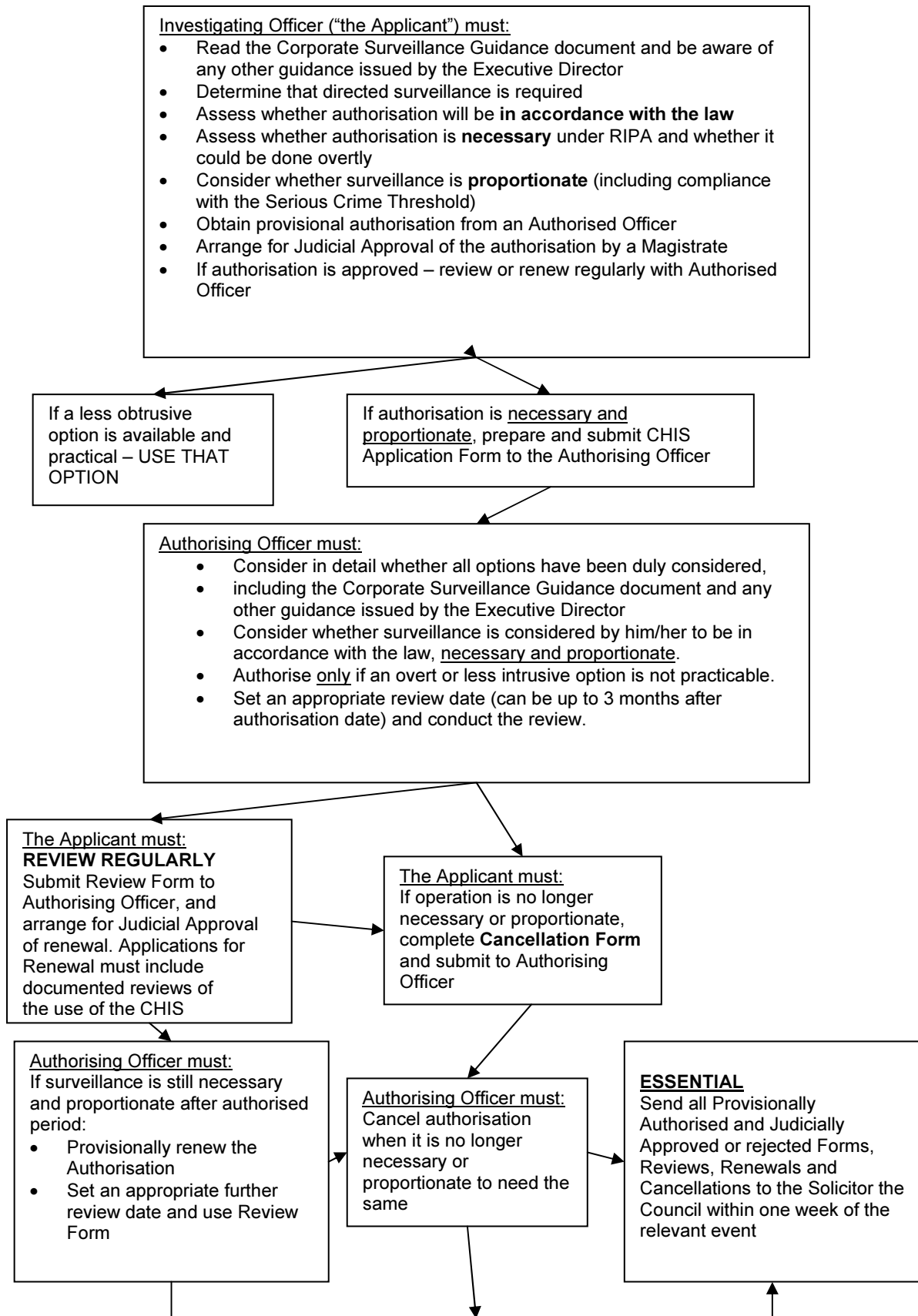
NB. The power to authorise surveillance under RIPA cannot be delegated to anyone else.

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NB: If in doubt, ask Solicitor to the Council before any directed surveillance and/or CHIS is authorised, reviews, renewed, cancelled or rejected. Chief Officers will designate one of their staff to be a Departmental Co-ordinator for the purpose of RIPA and advise the Solicitor to the Council accordingly

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NB: If in doubt, ask the Solicitor to the Council before any directed surveillance and/or CHIS is authorised, reviews, renewed, cancelled or rejected. Chief Officers will designate one of their staff to be a Departmental Co-ordinator for the purpose of RIPA and advise the Solicitor to the Council accordingly

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Part II of the Regulation of Investigatory Powers Act 2000**Authorisation Directed Surveillance**

Public Authority <i>(including full address)</i>			
Name of Applicant		Unit/Branch /Division	
Full Address			
Contact Details			
Investigation/Operation Name (if applicable)			
Investigating Officer (if a person other than the applicant)			

Unique Reference Number	
-------------------------	--

DETAILS OF APPLICATION

1. Give rank or position of authorising officer in accordance with the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 No. 521.¹

2. Describe the purpose of the specific operation or investigation.

3. Describe in detail the surveillance operation to be authorised and expected duration, including any premises, vehicles or equipment (e.g. camera, binoculars, recorder) that may be used.

4. The identities, where known, of those to be subject of the directed surveillance.

- Name:
- Address:
- DOB:
- Other information as appropriate:

5. Explain the information that it is desired to obtain as a result of the directed surveillance.

¹ For local authorities: The exact position of the authorising officer should be given. For example, Head of Trading Standards.

6. Identify on which grounds the directed surveillance is necessary under Section 28(3) of RIPA. Delete those that are *inapplicable*. Ensure that you know which of these grounds you are entitled to rely on (SI 2010 No.521).

- In the interests of national security;
- For the purpose of preventing or detecting crime or of preventing disorder;
- In the interests of the economic well-being of the United Kingdom;
- In the interests of public safety;
- for the purpose of protecting public health;
- for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department;

7. Explain why this directed surveillance is necessary on the grounds you have identified [Code paragraph 3.3].

8. Supply details of any potential collateral intrusion and why the intrusion is unavoidable. [Bear in mind Code paragraphs 3.8 to 3.11.]

Describe precautions you will take to minimise collateral intrusion.

9. Explain why this directed surveillance is proportionate to what it seeks to achieve. How intrusive might it be on the subject of surveillance or on others? And why is this intrusion outweighed by the need for surveillance in operational terms or can the evidence be obtained by any other means [Code paragraphs 3.4 to 3.7]?

10. Confidential information [Code paragraphs 4.1 to 4.31].

INDICATE THE LIKELIHOOD OF ACQUIRING ANY CONFIDENTIAL INFORMATION:

Unique Reference Number	
-------------------------	--

11. Applicant's Details			
Name (print)		Tel No:	
Grade/Rank		Date	
Signature			
12. Authorising Officer's Statement. [Spell out the "5 Ws" – Who; What; Where; When; Why and HOW– in this and the following box.]			
<p>I hereby authorise directed surveillance defined as follows: [<i>Why is the surveillance necessary, whom is the surveillance directed against, Where and When will it take place, What surveillance activity/equipment is sanctioned, How is it to be achieved?</i>]</p>			
13. Explain <u>why</u> you believe the directed surveillance is necessary [Code paragraph 3.3]. Explain <u>why</u> you believe the directed surveillance to be proportionate to what is sought to be achieved by carrying it out [Code paragraphs 3.4 to 3.7].			

Unique Reference Number	
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14. (Confidential Information Authorisation.) Supply detail demonstrating compliance with Code paragraphs 4.1 to 4.31.

--

Date of first review	
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Programme for subsequent reviews of this authorisation: [Code paragraph 3.23]. Only complete this box if review dates after first review are known. If not or inappropriate to set additional review dates then leave blank.

--

Name (Print)		Grade / Rank	
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Signature		Date and time	
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Expiry date and time [e.g.: authorisation granted on 1 April 2005 - expires on 30 June 2005, 23.59]	
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Unique Reference Number	
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15. Urgent Authorisation [Code paragraph 5.9]: Authorising officer: explain why you considered the case so urgent that an oral instead of a written authorisation was given.

16. If you are only entitled to act in urgent cases: explain why it was not reasonably practicable for the application to be considered by a fully qualified authorising officer.

Name (Print)		Grade/ Rank		
Signature		Date and Time		
Urgent authorisation Expiry date:		Expiry time:		
<i>Remember the 72 hour rule for urgent authorities – check Code of Practice.</i>	e.g. authorisation granted at 5pm on June 1 st expires 4.59pm on 4 th June			

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Part II of the Regulation of Investigatory Powers Act 2000

Review of a Directed Surveillance authorisation

Public Authority <i>(including address)</i>	
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Applicant		Unit/Branch /Division	
Full Address			
Contact Details			
Operation Name		Operation Number* <small>*Filing Ref</small>	
Date of authorisation or last renewal		Expiry date of authorisation or last renewal	
		Review Number	

Details of review:

1. Review number and dates of any previous reviews.	
Review Number	Date

2. Summary of the investigation/operation to date, including what private information has been obtained and the value of the information so far obtained.

Unique Reference Number	
--------------------------------	--

--

3. Detail the reasons why it is necessary to continue with the directed surveillance.

--

4. Explain how the proposed activity is still proportionate to what it seeks to achieve.

--

5. Detail any incidents of collateral intrusion and the likelihood of any further incidents of collateral intrusions occurring.

--

6. Give details of any confidential information acquired or accessed and the likelihood of acquiring confidential information.

--

7. Applicant's Details

Name (Print)		Tel No	
Grade/Rank		Date	

Unique Reference Number	
--------------------------------	--

Signature	
------------------	--

8. Review Officer's Comments, including whether or not the directed surveillance should continue.

9. Authorising Officer's Statement.
I, [insert name], hereby agree that the directed surveillance investigation/operation as detailed above [should/should not] continue [until its next review/renewal][it should be cancelled immediately].
Name (Print) Grade / Rank - - - - -
Signature - - - - - Date - - - - -

10. Date of next review.	
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Part II of the Regulation of Investigatory Powers Act 2000
Renewal of a Directed Surveillance Authorisation

Public Authority <i>(including full address)</i>	
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Name of Applicant		Unit/Branch /Division	
Full Address			
Contact Details			
Investigation/Operation Name (if applicable)			
Renewal Number			

Details of renewal:

1. Renewal numbers and dates of any previous renewals.	
Renewal Number	Date

2. Detail any significant changes to the information as listed in the original authorisation as it applies at the time of the renewal.

Unique Reference Number	
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3. Detail the reasons why it is necessary to continue with the directed surveillance.

--

4. Detail why the directed surveillance is still proportionate to what it seeks to achieve.

--

5. Indicate the content and value to the investigation or operation of the information so far obtained by the directed surveillance.

--

6. Give details of the results of the regular reviews of the investigation or operation.

--

7. Applicant's Details

Name (Print)		Tel No	
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Unique Reference Number	
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Grade/Rank		Date	
Signature			

8. Authorising Officer's Comments. <u>This box must be completed.</u>

9. Authorising Officer's Statement.				
<p>I, [insert name], hereby authorise the renewal of the directed surveillance operation as detailed above. The renewal of this authorisation will last for 3 months unless renewed in writing.</p> <p>This authorisation will be reviewed frequently to assess the need for the authorisation to continue.</p>				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Name (Print)</td> <td style="width: 50%;">Grade / Rank</td> </tr> <tr> <td>Signature</td> <td>Date</td> </tr> </table>	Name (Print)	Grade / Rank	Signature	Date
Name (Print)	Grade / Rank			
Signature	Date			
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Renewal From:</td> <td style="width: 33%;">Time:</td> <td style="width: 33%;">Date:</td> </tr> </table>	Renewal From:	Time:	Date:	
Renewal From:	Time:	Date:		

Date of first review.	
Date of subsequent reviews of this authorisation.	

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Part II of the Regulation of Investigatory Powers Act 2000

Cancellation of a Directed Surveillance authorisation

Public Authority <i>(including full address)</i>	
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Name of Applicant		Unit/Branch /Division	
Full Address			
Contact Details			
Investigation/Operation Name (if applicable)			

Details of cancellation:

1. Explain the reason(s) for the cancellation of the authorisation:

Unique Reference Number	
--------------------------------	--

2. Explain the value of surveillance in the operation:

3. Authorising officer's statement.
--

I, [insert name], hereby authorise the cancellation of the directed surveillance investigation/operation as detailed above.

Name (Print)

Grade

Signature

Date

4. Time and Date of when the authorising officer instructed the surveillance to cease.

Date:		Time:	
--------------	--	--------------	--

5. Authorisation cancelled.	Date:	Time:
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CHIS Unique Reference Number (URN) (to be supplied by the central monitoring officer).	
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Part II of the Regulation of Investigatory Powers Act (RIPA) 2000

Application for authorisation of the conduct or use of a Covert Human Intelligence Source (CHIS)

Public Authority <i>(including full address)</i>			
Name of Applicant		Service/Department /Branch	
How will the source be referred to(i.e. what will be his/her pseudonym or reference number)?			
What is the name, rank or position of the person within the relevant investigating authority who will have day to day responsibility for dealing with the source, including the source's security and welfare (often referred to as the Handler)?			
What is the name, rank or position of another person within the relevant investigating authority who will have general oversight of the use made of the source (often referred to as the Controller)?			
Who will be responsible for retaining (in secure, strictly controlled conditions, with need-to-know access) the source's true identity, a record of the use made of the source and the particulars required under RIP (Source Records) Regulations 2000 (SI 2000/2725)?			
Investigation/Operation Name (if applicable)			

CHIS Unique Reference Number (URN) (to be supplied by the central monitoring officer).	
--	--

DETAILS OF APPLICATION

1. Give rank or position of authorising officer in accordance with the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 No. 521. ¹ Where appropriate throughout amend references to the Order relevant to your authority.

2. Describe the purpose of the specific operation or investigation.

3. Describe in detail the purpose for which the source will be tasked or used.

4. Describe in detail the proposed covert conduct of the source or how the source is to be used.

5. Identify on which grounds the conduct or the use of the source is necessary under Section 29(3) of RIPA. Delete those that are inapplicable. Ensure that you know which of these grounds you are entitled to rely on (eg. SI 2010 No.521).

- In the interests of national security;
- For the purpose of preventing or detecting crime or of preventing disorder;
- In the interests of the economic well-being of the United Kingdom;

¹ For local authorities: The formal position of the authorising officer should be given. For example, Head of Trading Standards.

CHIS Unique Reference Number (URN) (to be supplied by the central monitoring officer).

- In the interests of public safety;
- for the purpose of protecting public health;
- for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department.

6. Explain why this conduct or use of the source is necessary on the grounds you have identified [Code paragraph 3.2].

7. Supply details of any potential collateral intrusion and why the intrusion is unavoidable. [Bear in mind Code paragraphs 3.8 to 3.11.]

Describe precautions you will take to minimise collateral intrusion and how any will be managed.

8. Are there any particular sensitivities in the local community where the source is to be used? Are similar activities being undertaken by other public authorities that could impact on the deployment of the source (see Code paragraphs 3.17 to 3.18)?

CHIS Unique Reference Number (URN) (to be supplied by the central monitoring officer).	
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9. Provide an assessment of the risk to the source in carrying out the proposed conduct (see Code paragraph 6.14).

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10. Explain why this conduct or use of the source is proportionate to what it seeks to achieve. How intrusive might it be on the subject(s) of surveillance or on others? How is this intrusion outweighed by the need for a source in operational terms, and could the evidence be obtained by any other means [Code paragraphs 3.3 to 3.5]?

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**11. Confidential information [Code paragraphs 4.1 to 4.21]
Indicate the likelihood of acquiring any confidential information.**

References for any other linked authorisations:

12. Applicant's Details.

Name (print)		Grade/Rank/Position	
Signature		Tel No:	

CHIS Unique Reference Number (URN) (to be supplied by the central monitoring officer).	
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Date	
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13. Authorising Officer's Statement. [Spell out the "5 Ws" – Who; What; Where; When; Why and HOW – in this and the following box.] THE AUTHORISATION SHOULD IDENTIFY THE PSEUDONYM OR REFERENCE NUMBER OF THE SOURCE, NOT THE TRUE IDENTITY.

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14. Explain why you believe the conduct or use of the source is necessary [Code paragraph 3.2] Explain why you believe the conduct or use of the source to be proportionate to what is sought to be achieved by their engagement [Code paragraphs 3.3 to 3.5].

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15. Confidential Information Authorisation. Supply details demonstrating compliance with Code paragraphs 4.1 to 4.21

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16. Date of first review:	
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CHIS Unique Reference Number (URN) (to be supplied by the central monitoring officer).	
--	--

17. Programme for subsequent reviews of this authorisation [Code paragraphs 5.15 and 5.16]. Only complete this box if review dates after first review are known. If not, or inappropriate to set additional review dates, then leave blank.

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18. Authorising Officer's Details

Name (Print)		Grade/Rank/Position	
Signature		Time and date granted*	
		Time and date authorisation ends	

** Remember, an authorisation must be granted for a 12 month period, i.e. 1700 hrs 4th June 2006 to 2359hrs 3 June 2007*

19. Urgent Authorisation [Code paragraphs 5.13 and 5.14]: Authorising Officer: explain why you considered the case so urgent that an oral instead of a written authorisation was given.

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20. If you are entitled to act only in urgent cases: explain why it was not reasonably practicable for the application to be considered by a fully designated Authorising Officer

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21. Authorising Officer of urgent authorisation

Name (Print)		Grade/Rank/Position	
Signature		Date and Time	
Urgent authorisation expiry date:		Expiry time:	

Remember the 72 hour rule for urgent authorisations – check Code of Practice [Code Paragraph 5.14]. e.g. authorisation granted at 1700 on 1st June 2006 expires 1659 on 4th June 2006

Part II of the Regulation of Investigatory Powers Act (RIPA) 2000

Cancellation of an authorisation for the use or conduct of a Covert Human Intelligence Source

Public Authority <i>(including full address)</i>	
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Name of Applicant		Unit/Branch	
Full Address			
Contact Details			
Pseudonym or reference number of source			
Investigation/Operation Name (if applicable)			

Unique Operation Reference Number* (*Filing Ref)	
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Details of cancellation:

1. Explain the reason(s) for the cancellation of the authorisation:

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2. Explain the value of the source in the operation:

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3. Authorising officer's statement. THIS SHOULD IDENTIFY THE PSEUDONYM OR REFERENCE NUMBER OF THE SOURCE NOT THE TRUE IDENTITY.

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Name (Print) **Grade**

Signature **Date**

4. Time and Date of when the authorising officer instructed the use of the source to cease.

Date:		Time:	
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Part II of the Regulation of Investigatory Powers Act (RIPA) 2000

Review of a Covert Human Intelligence Source (CHIS) Authorisation

Public Authority <i>(including full address)</i>	
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Applicant		Unit/Branch	
Full Address			
Contact Details			
Pseudonym or reference number of source			
Operation Name		Operation Number * <small>*Filing Ref</small>	
Date of authorisation or last renewal		Expiry date of authorisation or last renewal	
	Review Number		

Unique Operation Reference Number* (*Filing Ref)

Details of review:

1. Review number and dates of any previous reviews.

Review Number

Date

2. Summary of the investigation/operation to date, including what information has been obtained and the value of the information so far obtained.

3. Detail the reasons why it is necessary to continue using a Covert Human Intelligence Source.

4. Explain how the proposed activity is still proportionate to what it seeks to achieve.

5. Detail any incidents of collateral intrusion and the likelihood of any further incidents of collateral intrusions occurring.

Unique Operation Reference Number* (*Filing Ref)

6. Give details of any confidential information acquired or accessed and the likelihood of acquiring confidential information.

7. Give details of the review of the risk assessment on the security and welfare of using the source.

8. Applicant's Details

Name (Print)

Tel No

Grade/Rank

Date

Signature

9. Review Officer's Comments, including whether or not the use or conduct of the source should continue.

10. Authorising Officer's Statement. THE AUTHORISATION SHOULD IDENTIFY THE PSEUDONYM OR REFERENCE NUMBER OF THE SOURCE, NOT THE TRUE IDENTITY.

Name (Print)

Grade / Rank

Signature

Date

Unique Operation Reference Number* (*Filing Ref)	
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Date of next review:	
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Part II of the Regulation of Investigatory Powers Act (RIPA) 2000

Application for renewal of a Covert Human Intelligence Source (CHIS) Authorisation

(Please attach the original authorisation)

Public Authority <i>(including full address)</i>	
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Name of Applicant		Unit/Branch	
Full Address			
Contact Details			
Pseudonym or reference number of source			
Investigation/Operation Name (if applicable)			
Renewal Number			

Details of renewal:

1. Renewal numbers and dates of any previous renewals.	
Renewal Number	Date

Unique Operation Reference Number* (*Filing Ref)	
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2. Detail any significant changes to the information as listed in the original authorisation as it applies at the time of the renewal.

3. Detail why it is necessary to continue with the authorisation, including details of any tasking given to the source.

4. Detail why the use or conduct of the source is still proportionate to what it seeks to achieve.

5. Detail the use made of the source in the period since the grant of authorisation or, as the case may be, latest renewal of the authorisation.

6. List the tasks given to the source during that period and the information obtained from the conduct or

**Unique Operation Reference
Number*** (*Filing Ref)

use of the source.

7. Detail the results of regular reviews of the use of the source.

8. Give details of the review of the risk assessment on the security and welfare of using the source.

9. Applicant's Details

Name (Print)

Tel No

Grade/Rank

Date

Signature

10. Authorising Officer's Comments. This box must be completed.

11. Authorising Officer's Statement. THE AUTHORISATION SHOULD IDENTIFY THE PSEUDONYM OR REFERENCE NUMBER OF THE SOURCE NOT THE TRUE IDENTITY.

Unique Operation Reference Number* (*Filing Ref)	
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Name (Print)	Grade / Rank
Signature		Date
Renewal From:	Time:	Date:
		End date/time of the authorisation

NB. Renewal takes effect at the time/date of the original authorisation would have ceased but for the renewal

Date of first review:	
Date of subsequent reviews of this authorisation:	

Application for judicial approval for authorisation to obtain or disclose communications data, to use a covert human intelligence source or to conduct directed surveillance. Regulation of Investigatory Powers Act 2000 sections 23A, 23B, 32A, 32B.

Local authority:.....
Local authority department:.....
Offence under investigation:.....
Address of premises or identity of subject:.....
.....
.....

Covert technique requested: (tick one and specify details)

- Communications Data**
- Covert Human Intelligence Source**
- Directed Surveillance**

Summary of details

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Note: this application should be read in conjunction with the attached RIPA authorisation/RIPA application or notice.

Investigating Officer:.....
Authorising Officer/Designated Person:.....
Officer(s) appearing before JP:.....
Address of applicant department:.....
.....
Contact telephone number:.....
Contact email address (optional):.....
Local authority reference:.....
Number of pages:.....

Order made on an application for judicial approval for authorisation to obtain or disclose communications data, to use a covert human intelligence source or to conduct directed surveillance. Regulation of Investigatory Powers Act 2000 sections 23A, 23B, 32A, 32B.

Magistrates' court:.....

Having considered the application, I (tick one):

- am satisfied that there are reasonable grounds for believing that the requirements of the Act were satisfied and remain satisfied, and that the relevant conditions are satisfied and I therefore approve the grant or renewal of the authorisation/notice.
- refuse to approve the grant or renewal of the authorisation/notice.
- refuse to approve the grant or renewal and quash the authorisation/notice.

Notes

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Reasons

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Signed:

Date:

Time:

Full name:.....

Address of magistrates' court:.....

.....

HAVANT BOROUGH COUNCIL

GOVERNANCE & AUDIT COMMITTEE

Quarterly Update on Corporate Risks from the Executive Board

Report by Jane Eaton, Executive Head: Governance and Logistics

FOR NOTING

Cabinet Lead for Governance & Logistics

Key Decision: No

1.0 Purpose of Report

- 1.0 Risk is a part of life and of business. If the Council avoided risk it would not be able to deliver its services or achieve its ambitions outlined in the Corporate Strategy. Risk management is a way of understanding, evaluating and mitigating risks to ensure we can achieve the Council's objectives. Efficient organisations have clear frameworks and processes led from Board level. The Council's Constitution names the Governance & Audit Committee as the Councillor board responsible for managing risk.
- 1.1 The details of how the Council manages risk are outlined in the statement of arrangements for managing risk. The Governance & Audit Committee reviews this statement every year in June. In their role as the Councillor body overseeing the way Council officers manage risk the Governance & Audit Committee reviews the highest risks remaining in the Council after each management meeting.
- 1.2 This report gives the Committee an update on the highest corporate risks reviewed by the Executive Board in, alongside the Health Check, in November.

2.0 Recommendation

- 2.1 The Committee notes the most serious corporate risks reviewed by the Joint Executive Board on 4 November.

3.0 Summary

- 3.1 This report tells the Committee about the risks the Executive Board felt remained high after mitigation at their last review meeting.

4.0 Subject of Report

- 4.1 To oversee the effectiveness of risk management the Governance & Audit Committee note the most important risks facing the Council at the last quarterly

review of the risk registers by the Executive Board. The last quarterly review was on 4 November 2014.

4.2 The only risk showing red on our corporate risk register after mitigation, at this time is knowledge of the external market and its impact on letting major contracts. This is because the Council needs to make significant savings from the letting of contracts in order to balance the budget in the medium term. Work is currently underway on reletting the revenues, benefits and customer services contract, currently held by Capita, as part of a group of district councils to try and achieve greater savings. Service Managers will be involved in drafting the specifications for the new contract during November and December so this is a high risk time for this work.

4.3 Risks that management have mitigated to a lower risk level in the last quarter are surround IT and HR. Our HR issues, especially at the senior management level, are of concern but they are largely based in single services and do not put the overall objectives of the Council at significant risk. On IT we believe, following the successful roll out of the new desktop, the remaining issues to be service based and as the finance system project is progressing satisfactorily we do not consider any IT project to put the whole council at significant risk at present.

5.0 Implications

5.1 Resources:

There are no resource implications of this report because risk management is one of the regular funded functions of the management of the Council.

5.2 Legal:

There are no legal implications arising from this report.

5.3 Strategy:

Sound risk management supports the Council's objective of financial sustainability by ensuring financial risks are controlled and customer service excellence by ensuring the continuity of our services.

5.4 Risks: (Environmental, Health & Safety and Customer Access Impact Assessment)

This report forms part of the Council's risk management arrangements.

5.5 Communications:

There is no need for communications following this report.

5.6 For the Community:

There is no community impact from this report but it will assist in ensuring the community continue to receive vital council services.

5.7 **The Integrated Impact Assessment (IIA)** is not needed for this report because it does not contain a decision.

6.0 Consultation

Executive Board and the Risk Management Group.

Background Papers:

None

Agreed and signed off by:

Legal Services: 4 November 2014

Executive Head of Governance & Logistics: 4 November 2014

Relevant Executive Head: 4 November 2014

Cabinet Lead: 5 November 2014

Contact Officer: Jane Eaton
Job Title: Executive Head: Governance & Logistics
Telephone: 02392 446305
E-Mail: jane.eaton@havant.gov.uk

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