

AUDIT AND GOVERNANCE COMMITTEE

Date: Thursday 26 March 2026
Time: 5.30 pm
Venue: Rennes Room, Civic Centre, Paris Street, Exeter

Members are invited to attend the above meeting to consider the items of business.

If you have an enquiry regarding any items on this agenda, please contact Josie McDonald, Democratic Services Officer on 01392 265 354.

Entry to the Civic Centre can be gained through the Customer Services Centre, Paris Street.

Membership –

Councillors Wardle (Chair), Moore (Deputy Chair), Atkinson, Banyard, Begley, Holland, Knott, Miller-Boam, Mitchell, M, Palmer and Williams, M

Agenda

1 Apologies

To receive apologies for absence from Committee Members.

2 Minutes

To approve and sign the minutes of the meeting held on 11 February 2026.

(Pages 5 -
8)

3 Declaration of Interests

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion on the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

4 Local Government Act 1972 - Exclusion of Press and Public

It is considered that the Committee would be unlikely to exclude the press and public during consideration of any of the items on the agenda, but if it should wish to do so, the following resolution should be passed:-

RECOMMENDED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of

the particular item(s) on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1, Schedule 12A of the Act

Or

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of items XX and XX on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2, 3 and 4 of Part I, Schedule 12A of the Act.

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|----|--|----------------------|
| 5 | Quarterly Waivers Report Q3
To consider the report of the Strategic Director of Corporate Resources. | (Pages 9 -
20) |
| 6 | Internal Audit Progress Report
To consider the report of the SWAP Internal Audit Services. | (Pages 21
- 38) |
| 7 | Limited Assurance Report
To consider the report of the Strategic Director of Corporate Resources. | (Pages 39
- 46) |
| 8 | Internal Audit Plan for 2026/27
To consider the report of the SWAP Internal Audit Services. | (Pages 47
- 72) |
| 9 | Code of Corporate Governance
To consider the report of the Strategic Director of Corporate Resources. | (Pages 73
- 88) |
| 10 | Review of Corporate Governance Risk Register
To consider the report of the Strategic Director of Corporate Resources. | (Pages 89
- 106) |
| 11 | Appointment of the Council's Two Independent Persons
To receive the report of the Strategic Director of Corporate Resources. | (Pages
107 - 124) |
| 12 | JCNC Terms of Reference
To consider the report of the Local Government Reorganisation Programme Director. | (Pages
125 - 132) |
| 13 | Update on the use of investigatory powers and the Regulation of Investigatory Powers Act 2000 Joint Policy and Procedure
To consider the report of the Monitoring Officer. | (Pages
133 - 168) |

Date of Next Meeting

The next **Audit and Governance Committee** will be held on Thursday 23 July 2026 at 5.30 pm

Find out more about Exeter City Council by looking at our website <http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a

Scrutiny Committee meeting. Alternatively, contact the Democratic Services Officer on 01392 265354 for further information.

Individual reports on this agenda can be produced in other formats on request to Democratic Services on 01392 2654354

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AUDIT AND GOVERNANCE COMMITTEE

Wednesday 11 February 2026

Present:-

Councillor Wardle (Chair)

Councillors Moore, Atkinson, Banyard, Begley, Holland, Knott, Miller-Boam, Mitchell, M, Palmer and Williams, M

Also Present

Strategic Director for Corporate Resources, Head of Legal and Democratic Services & Monitoring Officer, Head of Service - Finance, Head of Service - Customers and Communities and Democratic Services Officer

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APOLOGIES

Apologies were received from the Chief Executive.

95

MINUTES

The minutes of the meeting held 27 November 2025 were taken as read, approved, and signed by the Chair as correct.

Councillor Moore requested that the presentation on the Corporate Governance Risk Register given by Zurich on the 17th November be appended to the minutes.

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DECLARATION OF INTERESTS

No declarations of disclosable pecuniary interests were made.

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LOCAL GOVERNMENT OMBUDSMAN ANNUAL REVIEW OF COMPLAINTS

The Head of Service – Customer and Communities presented the report, making the following points:

- these were all the complaints seen by the ombudsman in 2024/25;
- the Council had received eight complaints during that period, five were closed after inquiry, two were deemed not for the ombudsman and one was upheld; and
- the upheld complaint was regarding a fault in a planning report and it was concluded that the committee was not misled.

Councillor Knott, as the Chair of the Planning Committee provided clarification on the difference between gross and net hectarage.

The Head of Service – Customer and Communities and the Strategic Director of Corporate Resources responded to Members' questions in the following terms:

- the results compared to previous years would be circulated after the meeting;
- after complaints are made there is liaison with the Heads of Service and any trends are highlighted;

- officers would look into the recording of Freedom of Information (FOI) requests;
- the internal auditors are aware of all complaints received via the council;
- complaints were generally referred to the ombudsman when the outcome is disagreed with; and
- the internal auditor took a very thorough approach to areas of non-compliance and Members would have the opportunity to review and challenge.

The Audit and Governance Committee noted the Local Government Ombudsman Annual Review of Complaints.

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EXTERNAL AUDIT FINDINGS REPORT 2024/25

The Audit Manager, Grant Thornton, presented the report, making the following points:

- work had been concluded and the audit opinion would be issued after the meeting;
- the 25/26 audit internal deadline was the end of November;
- there was nothing left outstanding that would prevent the issuing of the audit opinion;
- three super-user accounts had been identified with the ability to add and remove entries from the general ledger, it is recognised in a small authority that access may be necessary, but ideally it should be performed by the IT Department
- A journal authorisation threshold of £5,000 is in place, which is highlighted as a minor risk but with mitigating controls in place
- a significant amount of work was undertaken on the valuation of land and buildings;
- St Sidwell's Point had been revalued from £28.6 million to £40.6 million;
- The bus station valuation required a correction to the Gross Internal Area (GIA), resulting in a £3 million adjustment;
- there had been a £15 million adjustment overall in PPE;
- the pension fund estimation variance of £53 million equated to £1.4 million for the council and was below materiality, so was comfortable;
- for IFRS 16, issues identified were disclosure-related only, and had been corrected by management, there were no valuation concerns noted; and
- the red rating on page 50 was relating to the assessment of the draft accounts, which had been fully addressed in the final accounts and had been updated accordingly.

The Audit Manager, and the Strategic Director of Corporate Resources responded to Members' questions in the following terms:

- the valuation of council dwellings was done by an external valuer, any increase in value would be included in the valuation;
- re-evaluation work had been carried out by Bruton Knowles and taken into account;
- all journals should be reviewed, but the council had a reasonable limit to not do so;
- solar panels were put up as part of the capital program, they had been borrowed for but there was not a physical loan;
- the solar panels had been given a 50-year warranty, but this needed adjusting as solar panels did not have a 50-year life span;
- there were 2 dwellings that did not have a beacon assigned;
- materiality was based on risk;
- LGR was considered as part of planning and was considered in audit plan

- for 25/26;
- the contract with Bruton Knowles was being overseen by the Estates Team;
- the council had a range of policies which could be challenged by the committee; and
- the worth per square meter of St Sidwell's Point was increased due to the Passivhaus status which made a huge difference in value.

The Audit and Governance Committee noted the External Audit Findings Report.

99

STATEMENT OF ACCOUNTS 2024/25

The Accountancy Services Manager presented the report making the following points:

- there had been changes to the account to reflect the value of bus station and St Sidwells' Point;
- the statement of accounts was to be approved by the Audit and Governance committee and the electronic signature of both the Chair, and the Strategic Director for Corporate Resources be added; and
- the Letter of Representation was required to be issued to the auditors.

The Strategic Director of Corporate Resources proposed an amendment to the recommendations, "It is recommended that the Audit and Governance Committee approve the Statement of Accounts 24/25 and grant approval for the use of the relevant electronic signatures."

The Strategic Director of Corporate Resources and the Head of Finance responded to Members' questions in the following terms:

- a loan had been taken out for £36 million but this was for both St Sidwell's Point, and other capital investments
- the terminology used in relation to related parties could not be changed as prescribed by the accounting code of practice; and
- it was based on the code of practice and supported by international reporting standards and their statutory guidance.

Following a unanimous vote, the amended recommendations were CARRIED.

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MANAGEMENT LETTER OF REPRESENTATION

The Accountancy Services Manager had already presented this item to the Committee when introducing the previous item.

The Chair agreed to signed the Management Letter of Presentation.

The Strategic Director of Corporate Resources thanked the Finance Team and the officers that had supported them, as well as Grant Thornton for the extraordinary effort from both parties, and the Committee endorsed this.

(The meeting commenced at 5.30 pm and closed at 6.22 pm)

Chair

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REPORT TO AUDIT & GOVERNANCE COMMITTEE

Date of Meeting: 26th March 2026

Report of: Strategic Director of Corporate Resources

Title: Quarterly Procurement Waiver and Breach Transparency Report

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

The report provides an overview of the procurement waivers granted in the last quarter to ensure transparency and accountability in internal decision-making processes and compliance with the Council's Procurement and Contract Procedures and procurement legislation.

2. Recommendations:

That members note the waivers and breaches of the Procurement and Contract Procedures for quarter Q3 2025/2026.

3. Reasons for the recommendation:

To ensure transparency in relation to third party expenditure and to comply with Internal/External Audit recommendation that waivers and breaches should be reported to and reviewed by Audit and Governance Committee.

4. What are the resource implications including non-financial resources

There are no new financial implications as this report is for information.

5. Section 151 Officer comments:

The significant breaches being reported are in the same service as the previous quarter. They are historic and are a result of the significant work being undertaken in that area to address the issue.

6. What are the legal aspects?

A transparent governance process to identify where breaches/waivers have taken place maximises compliance with the Procurement Act 2023 and the Council's Procurement and Contract Procedures which form part of the Council's Constitution.

Section 6 of the Council's Procurement and Contract Procedure Rules sets out the procurement requirements at various thresholds. All purchases over £25k

(excluding VAT) must be subject to some kind of competition process as detailed in Table 1 below.

Table 1 - Internal Thresholds – All thresholds exclusive of VAT

Value of Contract (exc VAT)	How to procure
Up to £25k	Min 1 Quotation (3 preferred)
Between £25k and £100k	Min 3 Quotations
Between £100k and the UK Procurement threshold	Formal tenders
Over UK Procurement threshold	Formal tenders

Rules 2.4 – 2.6 of the Council’s Procedures allow a “waiver” to the requirement for competition and allows a contract to be awarded by direct negotiation with one supplier. This must be agreed and documented in advance. The Council’s Procedures do not permit the granting of waivers where they are over the relevant legal UK procurement thresholds shown in Table 2 below.

Table 2 – Relevant UK Legal Procurement Thresholds effective January 2024 – January 2026 - inclusive of VAT. New thresholds came into effect on 1st January 2026, but the rates below are the relevant rates for Q3 reporting.

Goods and Services Threshold	£214,904 (inc VAT)
Works Threshold	£5,372,609 (inc VAT)

If a direct award is made which is above the relevant procurement threshold (and a legally compliant alternative such as a Framework Agreement is not used) or a contract continues after its end date, then a breach of the rules has occurred.

Paragraph 2.8 of the Procedures requires the procurement team to record non-compliance with the Procedures and report this to the Monitoring Officer.

In exceptional circumstances, the legislation allows some legally permitted direct awards, for instance to cover emergency provisions.

7. Monitoring Officer’s comments:

7.1 Members will note that a number of waivers and breaches have been identified. Members will note at paragraph 8.2.3 the steps that are being taken in order to increase compliance with the legislation and the Council’s own procedures. The Audit and Governance Committee will now receive regular updates so that compliance can be monitored.

8. Report details:

8.1 Background

Waivers and breaches are reported to Audit and Governance Committee quarterly in line with previous audit recommendations.

8.2 Report

In relation to third party expenditure, the default position of contracting authorities should be to run a competitive procurement exercise to achieve value for money for the public purse where practical.

This report provides details of all waivers authorised in the last quarter, where the Council opted not to carry out a competitive procurement process and the reasons for that decision. It also highlights instances of third-party expenditure where a competitive process should have been followed but no waiver was approved, in other words, breaches of the Council's procurement requirements.

8.2.1 Waivers

The Procurement and Contract Procedures form part of the Council's Constitution and set out the process that must be followed if, in exceptional circumstances, there are legitimate reasons where it may not be possible for an officer to comply with a specific part of the Procedures and/or run a competitive process. Where the Procedures cannot be followed, a Waiver must be applied for.

Where expenditure is under £100k ex VAT, a Head of Service or SMB member must approve a Waiver to the Procedures and provide a copy of the written approval (Waiver Application Form) to the procurement team to be added to the Waivers Register. In addition, the Procurement Manager is required to review and comment on waiver requests over £100k ex VAT. As a general rule, Waivers are not approved for expenditure beyond 1 year in duration.

In circumstances where a waiver is valued over the relevant UK procurement threshold, procurement/legal advice is required to assess the application of Section 41 and Schedule 5 of the Procurement Act 2023 which provides for direct awards in special cases, that is, where a contract is awarded without undergoing a competitive process.

During the period, 1st October 2025 – 31st December 2025, a total of 13 waiver applications were approved and recorded as summarised in the table below (further detail can be found in Appendix A):

Table 3 Waivers by reason reported in Q3:

Waiver (Exemption) Primary Reason:	Total (Q3 2025/26)	Value of Waiver (ex VAT)
Increased Cost/Loss of Income	4	£573,805
Limited Markets	4	£445,495
Reputational Damage (the Council would be criticised for failing to act promptly)	1	£25,193
<u>Compliant Direct Award</u> via Framework	4	£786,489
Total	13	£1,830,982

Table 4 Waivers by Directorate reported in Q3

Directorate	No. Waivers in Q3	Value of Waivers £
Executive Office	1	160,000
Corporate Resources	2	214,181
Operations	8	755,680
People and Communities	1	206,121
Place	1	495,000
Totals	13	1,830,982

8.2.2 Breaches

A procurement breach may be as a result of either a failure to follow Council's Procurement and Contract Procedures and/or a failure to comply with Procurement Legislation. Breaches over the UK legal thresholds expose the Council to the greatest risk.

Breaches are often unintentional and can arise as a result of aggregated spend with a third-party supplier outside a formal contract.

The table below summarises the number of breaches by service area recorded in Quarter 3 2025/2026. Further details on individual breaches can be found in Appendix B.

Table 5 – Breaches by Directorate Reported in Q3

Directorate	No of breaches recorded in Q3	Approximate value of breaches £
Chief Executive	0	0
Corporate Resources	0	0
Operations	1	£24,065
People and Communities	4	£9,697,917
Place	0	0
Total number of breaches in Q3	5	£9,721,982

It is not uncommon for breaches to occur within contracting authorities, and they are normally unintentional. No evidence deliberate wrongdoing has been identified in relation to any of the breaches listed in this report.

8.2.3 Progress on addressing breaches reported in Q2

Significant progress has been made to address the historical breaches relating to housing reported

in Q2 and this work will also address the majority of housing related breaches listed in Appendix B below. The relevant officers are working with procurement to establish a procurement framework and expect to complete that tender exercise in the autumn of 2026.

8.2.4 Steps being taken to reduce the risk of Non-Compliance

The following actions are being taking to reduce the risks of the Council breaching its own rules and procurement legislation in line with Internal Audit recommendations:

- Between May 2025 and October 2025 extensive training provided to c150 key procurers within the organisation.
- A Breach Procedure Note has been incorporated withing the Council's Constitution following consultation with the Portfolio Holder for Procurement Policy.
- A Procurement and Contract Assurance Board has been established and met for the first time in January 2026. The Board will also scrutinise off-contract spending, aiming to reduce costs by identifying opportunities to utilise existing contracts and aggregate spend by category across services. The Board will oversee the delivery, compliance, and effectiveness of procurement and contract management.

South West Audit Partnership (SWAP) worked with procurement to undertake a Contracts Register audit in February 2026. SWAP assessed:

- The council's contract and procurement policies, procedures and forms are complete, kept up to date and clearly identify areas of responsibility.
- The council's contract register is accurate and contains complete and current information to comply with legislation.
- The council maintains accurate and complete records of the contracts it holds at directorate/service level.
- The council has provided appropriate training to officers responsible for maintaining the contract register.

The outcome was one of Substantial Assurance sample testing confirmed that in most instances the contract register is accurate. Similarly, SWAP's benchmarking with partner councils indicated that the Council's processes are equivalent to or more comprehensive than responding councils. The procurement team are of the opinion that this latest audit indicates that procurement compliance is significantly improving within the Council.

9. How does the decision contribute to the Council's Corporate Plan?

Effective governance, transparency and delivering value for money contributes to the Council's purpose of leading a well-run Council.

10. What risks are there and how can they be reduced?

Failure to have appropriate controls in place to monitor and manage non-compliance with the Contract Procurement Rules and procurement legislation may expose the council to legal challenge, reputational harm, and failure to achieve value for money.

Steps being taken to reduce the risks are detailed in 8.2.4 above.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and

- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because the report is for information only

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 Not Applicable

Director: Dave Hodgson, Strategic Director of Corporate Resources

Author: Lynda Chaffey, Procurement Manager

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:- None

Contact for enquires:
Democratic Services (Committees) **Room 4.36**
01392 265275

Appendix A – Waivers to the Contract and Procurement Procedures Recorded Q3 2025/2026

Waiver/ Direct award Reference	Project / Contract Title	Directorate / Service	Signed by Corp Manager / SMB Member	Supplier	Waiver Start Date	Waiver End Date	Reason it is longer than a year if applicable	Waiver Value £	Primary Reason for Waiver
WA00011	Food Waste Caddies	Operations/ Environment & Waste	Head of Service – Environment & Waste	Peter Ridley Waste Systems	30/09/2025	30/04/2026	N/A	£106,488.52	Compliant Direct Award via Framework
WA00012	Direct Award – Integrated Provision of Financial Transaction Services across ECC's Car Park Estate	Corporate Resources/ Commercial Assets	Strategic Director, Corporate Resources	Planet Merchant Services Ltd	01/11/2025	30/04/2027	A short-term contract will cover the urgent car park equipment installation without exceeding the UK services threshold, with a competitive process to follow for the long-term payment solution.	£175,000.00	Limited Markets
WA00013	Topsham Museum – Re Rendering and Associated Repairs Works Contract, Consultancy Services, Fees and Temporary Protection Works	Operations/Asset Maintenance	Strategic Director, Operations	Mercury Construction , Norse South West	13/10/2025	28/02/2026	A further waiver is now required to enable substantial and essential additional identified works previously unforeseen	£428,430.00	Increased cost/Loss of Income
WA00014	Bowling Green Marsh Consultancy	Operations/ Engineering & Assets	Head of Service, Operations	RSK Environment Ltd, T/A Binnies UK	27/10/2025	27/03/2026	N/A	£25,000.00	Compliant Direct Award via Framework
WA00015	Housing First and Homelessness Prevention Project	People & Communities/ Housing Needs	Strategic Director, People	Bournemouth Churches Housing Association (BCHA)	01/04/2025	31/03/2026	N/A	£206,121.00	Limited Markets
WA00016	To procure 2 years support for annual billing process (26/27 and 27/28)	Corporate Resources/ Finance	Head of Service, Finance	MRI (formerly Capita One Limited)	01/04/2026	31/03/2027	A 10% discount has been offered for a 2 year instruction, which equates to a saving of £4,353	£39,181.00	Limited Markets

WA00017	Mary Arches MSCP, Exeter – Ongoing hire and inspections of health and safety protection scaffolding	Operations/Asset Maintenance	Strategic Director, Operations	Apex Scaffolding	01/01/2024	31/03/2026	Ongoing hire and inspections of protection scaffolding, removing the requirement to obtain new quotes which if the successful bidder is not the incumbent supplier would require the removal of existing scaffold and re installation by new supplier with the reputational damage and additional costs to the Council	£31,375.00	Increased Cost/Loss of Income
WA00018	Electrical Audits	Operations/Asset Maintenance	Head of Service, Asset Maintenance	GCS Compliance Ltd	01/04/2025	31/03/2026	N/A	£25,193.01	Limited Markets
WA00019	Gas Audits	Operations/Asset Maintenance	Head of Service, Asset Maintenance	GCS Compliance Ltd	01/04/2025	31/03/2026	N/A	£25,193.01	Reputational Damane
WA00020	The Corn Exchange, Exeter – Ongoing hire and inspections of health and safety protection scaffolding and including scaffold removal costs	Operations/Asset Maintenance	Strategic Director, Operations	Mercury Construction, Norse South West?		31/03/2026	Ongoing hire and inspections of protection scaffolding, removing the requirement to obtain new quotes which if the successful bidder is not the incumbent supplier would require the removal of existing scaffold and re installation by new supplier with the reputational damage and additional costs to the Council	£79,000.00	Increased Cost/Loss of Income
WA00021	Procurement of a refurbished baler for plastics	Operations/ Environment & Waste	Strategic Director, Operations	South West Compactor Services	01/01/2026	31/01/2026	N/A	£35,000.00	Increased Cost/Loss of Income

WA00026	Design Consultant for Riverside Leisure Centre Decarbonisation Project	Place/ City Centre & Net Zero	Strategic Director, Place	Atkins Realis	01/10/2025	31/03/2028	To assist in the procurement and design assessment of all stages of the design build and installation work for 3 years	£495,000.00	Compliant Direct Award via Framework
WA00023	Wonford Community Wellbeing Hub – Lead Architect and Designer	Executive Office	Executive Office Manager	SPACE & PLACE AFLSP LTD	02/01/2026	30/09/2026	N/a	£160,000.00	Compliant Direct Award via Framework

Appendix B – Breach of Contract and Procurement Procedures Recorded Q3 2025/2026

Contract/Project Description	Directorate/Service Responsible	Nature of Breach	Breach Specifics	Breach Value	Actions Taken
10 rooms Supported Temporary Accommodation Housing Management & Support provided in-house.	People & Communities/ Housing Needs	Non-compliance with legislation	<p>Failure to run a competition process</p> <p>This is an historical breach that officers have identified through improved understanding of procurement rules and are actively working to address the matter.</p>	£3,728,123.00	Procurement being progressed. Pre-market engagement currently being undertaken.
16 rooms Housing Management Breakfast provided	People & Communities/ Housing Needs	Non-compliance with legislation	<p>Failure to run a competition process.</p> <p>This is an historical breach that officers have identified through improved understanding of procurement rules and are actively working to address the matter.</p>	£2,667,007.78	Procurement being progressed. Pre-market engagement currently being undertaken.
5 rooms Young person's accommodation, housing management and support services	People & Communities/ Housing Needs	Non-compliance with legislation	<p>Failure to run a competition process</p> <p>This is an historical breach that officers have identified through improved understanding of procurement rules and are actively working to address the matter.</p>	£1,189,063.84	Procurement being progressed. Pre-market engagement currently being undertaken.

Sydney Place & Pennsylvania Road accommodation with housing management	People & Communities/ Housing Needs	Non-compliance with legislation	Failure to run a competition process. This is an historical breach that officers have identified through improved understanding of procurement rules and are actively working to address the matter.	£2,113,722.02	Procurement being progressed. Pre-market engagement currently being undertaken.
Corn Exchange. Installation of emergency scaffolding	Operations/Asset Maintenance	Non Compliance with Exeter City Council Rules	Exemption(s)/waiver(s) have expired & value exceeded	£24,064.56	Waiver(s) have been requested

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REPORT TO AUDIT AND GOVERNANCE COMMITTEE

Date of Meeting: **26th March 2026**

Report of: **Head of Internal Audit, Assistant Director SWAP**

Title: **INTERNAL AUDIT PROGRESS REPORT FOR THE YEAR ENDED 31 MARCH 2026 – QUARTER 3**

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To report on 2025/26 internal audit work during quarter 3. To advise on overall progress against the Audit Plan and to highlight areas where improvements in governance, risk or internal controls have been agreed.

2. Recommendations:

2.1 That the Internal Audit Progress Report for quarter 3 be noted.

3. Reasons for the recommendation:

3.1 One of the roles of this committee is to review delivery of the internal audit plan as well as the main issues arising and seek assurance from management that action has been taken where necessary.

4. What are the resource implications including non financial resources

4.1 None

5. Section 151 Officer comments:

5.1 There has been further positive progress in addressing the issues identified over the last few years and it is particularly welcome to note the substantial assurance opinion in respect of the Council's contract register. Staff across the Council are using internal audit to drive improvements in their Services.

6. What are the legal aspects?

6.1 Internal Audit is a statutory requirement in accordance with the broad requirements of section 151 of the Local Government Act 1972 which requires that, inter alia, ‘...every local authority shall make arrangements for the proper administration of their financial affairs’. More particularly, the role of Internal Audit is set out in the Accounts and Audit (England) Regulations 2015. Regulation 3 requires a local authority to have ‘...a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk’. Regulation 5 sets out the provisions concerning the role of Internal Audit and states that ‘[a] relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance’

7. Monitoring Officer’s comments:

7.1 Internal audit is an essential function ‘...providing risk-based and objective assurance, advice and insight’ as stated in the Institute for Internal Auditors’ 2017 Mission Statement.

7.2 The Mission Statement provides a definition of the role of internal audit and states that the fundamental purpose, nature and scope of internal audit is to provide ‘...an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes’.

7.3 By working with services across the Council, Internal Audit works to ensure that Council objectives are met and that risks are well managed.

8. Report details:

8.1 This Committee receives quarterly internal audit progress reports. This allows progress against the agreed plan and the main issues arising to be monitored, seeking assurance from management that action has been taken, where necessary. The 2025/26 Audit Plan was approved at this Committee on 19th March 2025. The purpose of internal audit is to provide an independent, objective assurance and consulting service designed to add value and improve the Council’s operations. The mission of internal audit is to enhance and protect organisational value by providing risk based and objective assurance, advice, and insight. The internal audit Service helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

9. How does the decision contribute to the Council’s Corporate Plan?

9.1 Good governance contributes to the Council’s purpose of a “Well Run Council”.

10. What risks are there and how can they be reduced?

N/A

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 The report is for information only.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

N/A

Author: Lisa Fryer, Assistant Director SWAP

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 4.36
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Exeter City Council

Report of Internal Audit Activity

Progress Report – March 2025/26

Internal Audit – March 2025/26: ‘At a Glance’

The Headlines	
	<p>Reviews completed in the period</p> <ul style="list-style-type: none"> • Three assurance audits completed • Two grants certified
	<p>Progress to date</p> <ul style="list-style-type: none"> • All of the plan is at least in progress, with 43% now complete. Delivery will continue through April and May.
	<p>High Organisational Risk</p> <ul style="list-style-type: none"> • None reported in the period
	<p>Action plan monitoring</p> <ul style="list-style-type: none"> • The council has 77 active agreed actions, 6 are overdue. A further 26 have been self assessed as complete and 73 completed and closed in the year.
	<p>Plan changes in the period</p> <p>The following audits have been deferred in the period:</p> <ul style="list-style-type: none"> • Leisure Services – due to overlap with work of consultants • Waste Management – replaced with housing compliance audit • Health & Safety Property Portfolio – moved to Q1 26/27 • CIL governance follow-up – more time needed to complete all actions agreed
	<p>Enhancements made to our internal audit process throughout the year</p> <p>A monitoring system for actions agreed within audit reports is now operational. Automatic reminders are now being issued monthly to alert managers of actions overdue and close to being overdue.</p>

Internal Audit Assurance Work 2025/26		
	Q3	YTD
Substantial	1	1
Reasonable	1	2
Limited	1	4
No Assurance	0	0
Follow-up	0	0
Grants	2	2
Advisory & Other	0	0
Total	5	9

Internal Audit Agreed Actions 2025/26		
	Q3	YTD
Priority 1	0	4
Priority 2	8	18
Priority 3	6	29
Total	14	51

Summary

As part of our rolling plan reports, we will detail progress against the approved plan and any updates in scope and coverage.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating significant risks previously identified through audit activity.

The contacts at SWAP in connection with this report are:

Lisa Fryer
Assistant Director
lisa.fryer@swapaudit.co.uk

Rich Clarke
Chief Executive
rich.clarke@swapaudit.co.uk



Introduction

The Audit and Governance Committee approved the 2025/26 Internal Audit Plan in March 2025. This report sets out our progress against that plan. **Appendix E** summarises our progress and includes new audits that we have added to the plan.

Each completed assignment includes its respective assurance opinion rating together with the number and relative ranking of actions we have agreed with management.

We have applied the assurance opinion ratings in accordance with the SWAP Audit Framework Definitions detailed in **Appendix A**.

To assist the Committee in its important monitoring and scrutiny role, **Appendix B** summarises our key findings from No and Limited assurance opinion audits.

A follow-up review is performed in respect of all limited assurance opinion audits where there is assessed to be a medium or high organisational risk. This provides further assurance, in addition to our action tracking, that recommendations have been implemented to reduce areas of risk identified. No follow-up reviews were completed in the period.

It is important that the council implements agreed actions to address the control weaknesses set out in our reports. To give the Audit and Governance Committee a level of assurance that this is happening, we conduct regular action tracking of all agreed actions. The council's current position is summarised in **Appendix D**.

In circumstances where findings have been identified which are considered to represent high corporate risks to the Council, due to their importance, these issues are separately summarised. No significant corporate risks were reported in the period.

Internal Audit Progress Update

Our audit plan coverage assessment is designed to provide an indication of whether we have provided sufficient, independent assurance to monitor the organisation’s risk profile effectively.

The internal audit plan agreed is based on our risk-based approach to help ensure that resources are focused where internal audit can offer the most value and insight. A key source of information is the Council’s strategic risk register.



Internal Audit Plan coverage of strategic risks

This table maps our completed and planned audits against the council’s strategic risks. As the year builds and more work is completed, coverage across key risk areas will increase. “Planned Coverage” includes audits that have not yet concluded or have not been started. Where a strategic risk is not linked to a specific audit, it may still be covered through the action tracking process (see **Appendix D**).

No	Strategic Risk	Risk Score	Completed Coverage	Planned Coverage
1	Delivering the key challenges in the Net Zero Carbon City section of the Corporate Plan	High	Biodiversity net gain, social housing decarbonisation grant	
2	Making progress towards a Healthy and Active City	Medium		
3	Adapting the council workforce to ensure appropriate skills and experience (future proof workforce)	Medium		Health and Safety at work
4	Maintaining the Financial Stability of the Council	Medium	Payroll – self service	Housing rents & arrears, fraud baseline assessment. Follow-ups: debt management, creditors, Council Tax arrears.
5	Maintaining the Council’s Property and Infrastructure Assets	High		Housing Compliance
6	Delivering Housing and Building Great Neighbourhoods and Communities	High	Community safety/anti social behaviour	Private sector housing
7	Maintaining a thriving Culture & Heritage Sector	Low	MEND fund grant certification	Museum renewal fund grant certification
8	Delivering against the key challenges in the ‘Prosperous Local Economy’ section of the Corporate Plan	Medium		
9	Progressing the design and delivery of a corporate Customer & Digital Strategy	Medium	Information governance	Largely covered by Strata and audited by DAP

We regularly monitor the council's implementation of agreed management actions.



SWAP Monitoring

Action Tracking

It is important that the council implements agreed actions to address the issues set out in our reports. To give the Audit and Governance Committee a level of assurance that this is happening, we conduct regular action tracking. We recognise that it can take longer to implement actions than planned, and sometimes target timescales need changing. The council's current position is summarised in **Appendix D**.

The council has 77 active agreed actions, 6 of which are overdue. A further 26 have been self assessed as complete and 73 closed in total in the year. A summary of the status of open actions by audit is provided **at Appendix D**.

As can be seen from the table below progress has been made since the last meeting:

Action Status	March 2026	November 2025
Actions not due	71	66
Actions Overdue	6	30
Actions self assessed as complete	26	24
Actions closed	73	43

To give further assurance on whether the council has completed the actions agreed, we conduct follow-up audits for all higher risk work. Follow-up audits currently planned can be found within **Appendix E**. Further follow-ups will be scheduled once our monitoring work indicates that all actions relating to an audit have been completed.

Internal Audit Progress Update

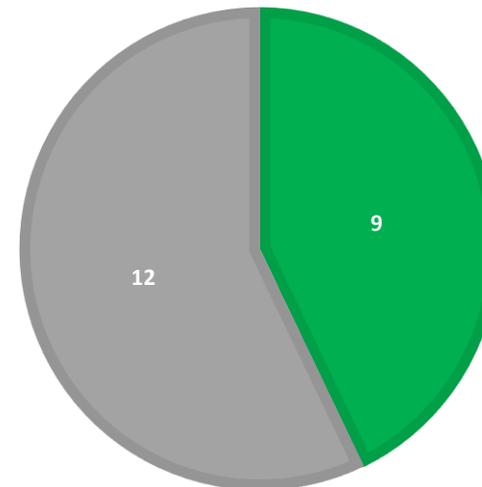
We need adequate audit coverage to provide our annual opinion.



Year to Date Progress

2025/26 PLAN PROGRESS

■ Complete ■ In progress ■ Not started



All of the plan is at least in progress, 43% is now complete.

Internal Audit Progress Update

Audit Assurance Definitions	
No	The review identified fundamental gaps, weaknesses, or non-compliance, which require immediate action. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
Limited	The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.
Reasonable	The review highlighted a generally sound system of governance, risk management and control in place. We identified some issues, non-compliance or scope for improvement which may put at risk the achievement of objectives in the area audited.
Substantial	The review confirmed a sound system of governance, risk management and control, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Organisational Risk Assessment Definitions	
Assessment	Organisational Risk & Reporting Implications
High	Our audit work includes areas that we consider have a high organisational risk and potential significant impact. Both senior management and the Audit Committee should consider key audit conclusions and resulting outcomes.
Medium	Our audit work includes areas that we consider have a medium organisational risk and potential impact. The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.
Low	Our audit work includes areas that we consider have a low organisational risk and potential impact. We believe the key audit conclusions and any resulting outcomes still merit attention but could be addressed by service management in their area of responsibility.

Categorisation of Actions	
In addition to the organisational risk assessment it is important to know how important the individual management actions are. Each action has been given a priority rating with the following definitions:	
Priority 1	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.

Appendix B: Limited Assurance Reviews

Emergency Planning – Final Report – December 2025



Audit Objective

To provide assurance that the emergency plans approved and adopted, cover the requirements of the Civil Contingency Act 2004 and other relevant legislation to meet the needs of the county in the event of a civil emergency.

Executive Summary

	Assurance Opinion	Management Actions	Organisational Risk Assessment	Medium
	The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives	Priority 1	0	Our audit work includes areas that we consider have a medium organisational risk and potential impact.
		Priority 2	7	
		Priority 3	0	The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.
		Total	7	

Key Conclusions

	The Emergency Response and Recovery Plans are outdated. Both plans are not concise or user-friendly, lack version control and a formal change control process.	Audit Scope We reviewed the risk that a failure to adequately plan for emergencies could lead to a major service failure. To do this we assessed the controls set out under Appendix A, below. We conducted a survey with all directors and heads of service to assess the effectiveness of the emergency planning processes and ascertain their competence and confidence in the event of an emergency. We received 11 responses from the 19 members of staff contacted (58%). The results of the survey have been shared separately with the Head of Environment and Waste.
	Directors and Heads of Service, newly appointed as Emergency Duty Officers, have received minimal training and limited exposure to real emergencies or exercises. Specialist roles like Emergency Support Officers (Loggists) have not received full training.	
	The council has not conducted a formal test of the City Centre Evacuation Plan to assess its effectiveness in managing emergency scenarios.	
	Emergency planning responsibilities currently fall to the Head of Environment and Waste, potentially limiting focus and effectiveness.	
	The emergency contact list was outdated and did not reflect the new emergency duty officer structure. The Head of Environment and Waste updated the contact list during the course of the audit review.	

Areas of Good Practice

- The council collaborates with the Devon Emergency Planning Partnership (DEPP) and the Local Resilience Forum (LRF) to assess emergency risks within their area of responsibility.
- Effective public communication strategies are in place to raise awareness about emergency risks. The council also provides timely warnings and advice during emergencies.
- Risk registers are reviewed regularly and updated annually to form the Community Risk Register. These assessments incorporate national risk register data and comply with the Civil Contingencies Act 2004 (section 2.1a and b).

Appendix C: Follow-up Reviews

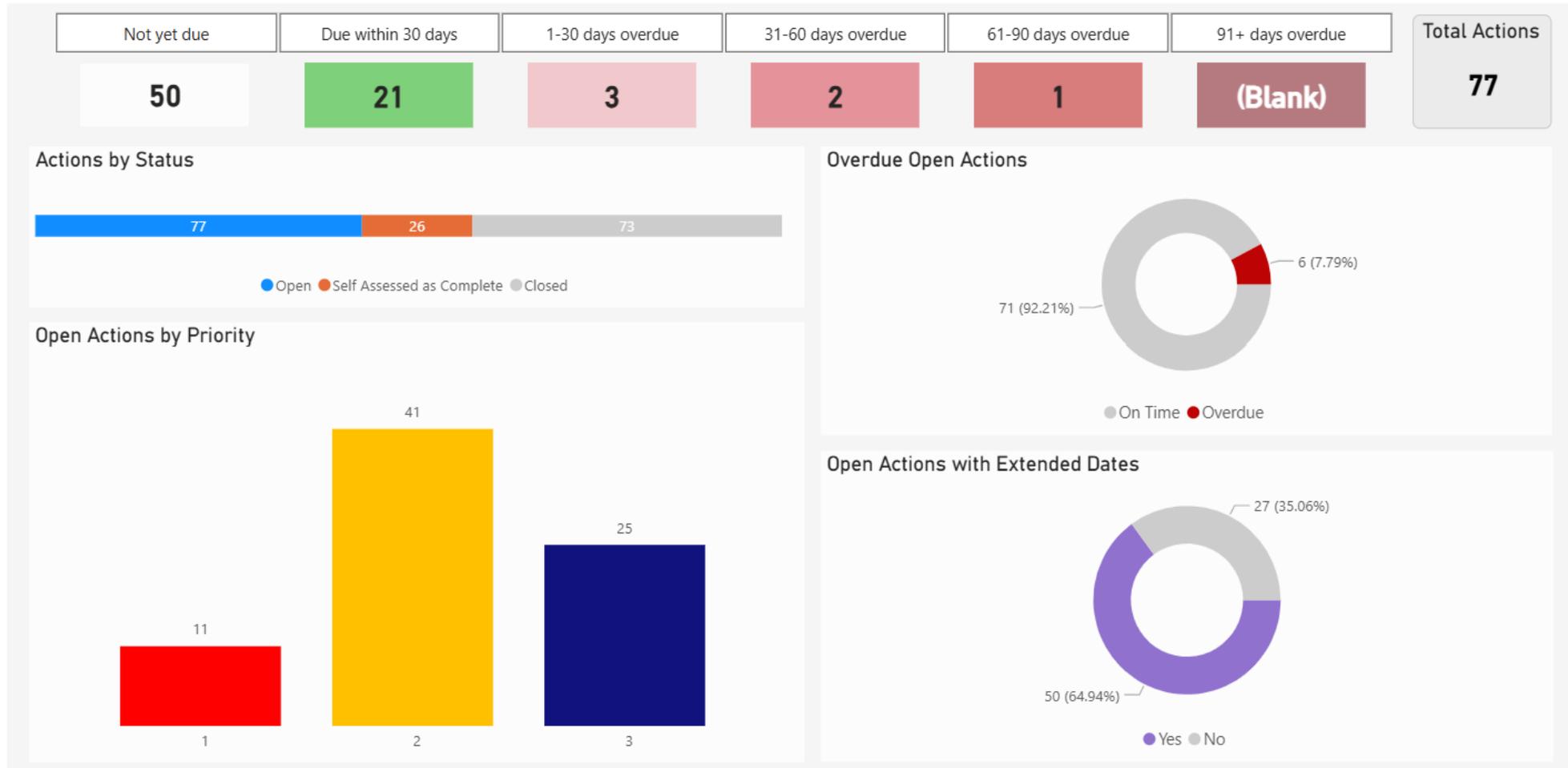
There were no follow-up reviews completed in the period.

Appendix D: Monitoring of Agreed Actions



Open Management Actions

Includes all open/self assessed as complete actions and actions closed since 1st April 2025



Appendix D: Monitoring of Agreed Actions

Status of Open Actions

Name of Audit with Open Actions	Opinion	Year	Open Actions		Self Assessed as Complete	Closed	Total
			On Time	Overdue			
Procurement	Limited	2024/25	4		2		6
Creditors - Payments	Limited	2024/25	5			2	7
Maintenance & Capital Programme of Works	Limited	2024/25	4		2	1	7
Housing Benefit Subsidy	Reasonable	2024/25	1			1	2
Council Tax Arrears Recovery	Limited	2024/25	1		2	1	4
Sundry Debtors	Advisory	2024/25	1		4	3	8
Waterways	Reasonable	2024/25		1		5	6
Housing - Temporary Accommodation	Limited	2024/25	3		6	4	13
CIL Governance	Limited	2024/25	7				7
Communications Strategy	Limited	2024/25	6		1	3	10
Payroll - Employee Self-Service	Limited	2024/25		2		10	12
Corporate Governance - Action Tracking	Limited	2023/24			2	7	9
Sundry Debtors (23/24) - Raising Invoices	Limited	2024/25	2			3	5
HRA - Repairs and Maintenance	Limited	2024/25	2		4		6
S106 Governance	Limited	2024/25	8	1			9
Occupational Health Services	Limited	2024/25			1	16	17
Ethical Governance	Reasonable	2025/26	7			2	9
Emergency Planning	Limited	2025/26	6			1	7
Community Safety and Anti-Social Behaviour (ASB)	Limited	2025/26	2	2		5	9
Biodiversity Net Gain	Reasonable	2025/26	6				6
Information Governance	Limited	2025/26	6		2	1	9
		Total	71	6	26	65	168

Appendix E: Summary of Internal Audit Work

Audit Type	Audit	Status	Assurance Opinion	Total Actions	1 =	↔	3 =	Organisational Risk
					Major		Medium	
					Recommendation			
					1	2	3	
Complete								
Assurance	NEW Payroll – Self Service (24/25 audit work performed in 25/26)	Final	Limited	12	0	3	9	Low
Assurance	Information Governance	Final	Limited	9	4	3	2	Medium
Assurance	Ethical Governance	Final	Reasonable	7	0	1	6	Low
Assurance	Community Safety/Anti Social Behaviour	Final	Limited	9	0	3	6	Low
Assurance	Social Housing Decarbonisation Grant	Final	Certified					Low
Assurance	NEW Arts Council England MEND fund - Royal Albert Memorial Museum Grant Certification	Final	Certified					Low
Assurance	Contract Register	Final	Substantial	1	0	0	1	Low
Assurance	Planning – Biodiversity net gain	Final	Reasonable	6	0	1	5	Low
Assurance	Emergency Planning	Final	Limited	7	0	7	0	Medium
In Progress								
Assurance	Housing Rents & Arrears	In progress						
Assurance	NEW Fraud Baseline Assessment (deferred from 24/25)	In progress						
Assurance	NEW Arts Council England – Museum Renewal Fund Grant Certification	In progress						
Assurance	NEW Health and Safety at Work (deferred from 24/25)	In progress						
Assurance	NEW HRA Housing Compliance	In progress						

Appendix E: Summary of Internal Audit Work

Audit Type	Audit	Status	Assurance Opinion	Total Actions	1 =	↔	3 =	Organisational Risk
					Major		Medium	
					Recommendation			
					1	2	3	
Advisory	Private Sector Housing	In progress						
Follow-up	Debt Management	In progress						
Follow-up	NEW Council Tax Arrears	In progress						
Follow-up	Creditors	In progress						
Follow-up	Corporate Governance	In progress						
Follow-up	NEW Occupational Health	In progress						
Advisory	Fraud advice and support including confidential reporting	In progress						
Deferred								
Assurance	Risk Management	Deferred	Request to defer to 26/27 as update to approach remains ongoing					
Assurance	Medium Term Financial Plan	Deferred	Deferred to 26/27 as looked at by Grant Thornton as part of Value for Money work					
Assurance	Leisure Services	Deferred	Deferred as overlap with work of Consultants					
Assurance	Waste Management	Deferred	Deferred to 26/27 and replaced with HRA Housing compliance					
Assurance	Fraud Risk Assessment	Deferred	Deferred as Fraud Baseline Assessment remains ongoing					
Assurance	Health & Safety of Property Portfolio (including housing)	Deferred	Deferred to Q1 26/27					
Follow-up	Fraud Baseline Assessment	Deferred	Deferred to 26/27 as full audit deferred to 25/26					
Follow-up	Maintenance & Capital Programme of Works	Deferred	Deferred to 26/27 in line with implementation of agreed actions					

Appendix E: Summary of Internal Audit Work

Audit Type	Audit	Status	Assurance Opinion	Total Actions	1 =	↔	3 =	Organisational Risk	
					Major		Medium		
					Recommendation				
					1	2	3		
Follow-up	CIL Governance	Deferred	Deferred to 26/27 in line with implementation of agreed actions						

REPORT TO AUDIT AND GOVERNANCE COMMITTEE

Date of Meeting: 26 March 2026

Report of: Strategic Director Corporate Resources

Title: Limited Assurance Audit Reports

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

- 1.1 This report presents the recommendations and actions plans in relation to recent limited assurance audits and progress being made.

2. Recommendations:

- 2.1 That the Audit and Governance Committee note the content of the audit report contained at Appendix 1 and the actions that will be taken in response to the recommendations.

3. Reasons for the recommendation:

- 3.1 To provide assurance to the Audit and Governance Committee that the council has plans to address audits with limited assurance and that progress is being made.

4. What are the resource implications including non-financial resources?

- 4.1 The Strategic Management Board has taken ownership of the recommendations contained in audits with limited assurances. Delivery of the agreed actions will result in resources implications, but this will be managed through Directorate work plans.

5. Section 151 Officer Comments:

- 5.1 Members should note the progress that has been made or actions agreed in relation to limited assurance audits. Progress will continue to be reported as the Council seeks to strengthen its Corporate Governance processes

6. What are the legal aspects?

- 6.1 The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This is known as the Best Value duty. The duty requires the Council to make arrangements that ensure services are delivered in a cost-effective manner while

meeting the needs of the community. In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk. The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of Delivering Good Governance in Local Government (CIPFA/Solace 2016).

7. Monitoring Officer's Comments:

7.1 This report sets out the actions that will be taken in response to the recommendations of recent limited assurance audits. It is important that implementation of agreed action plans are closely monitored and reported back to Members to provide reassurance that improvements are being made.

8. Report Details:

8.1 Limited Assurance Definition

SWAP's definition of limited audit assurance is where the review identified significant gaps, weaknesses or instances of non-compliance. The system of governance, risk management and control require improvement to effectively manage risks to the achievement of objectives in the area audited.

8.2 Since the last progress report was presented to this Committee in November 2025, SWAP have finalised a further audit with limited assurance, as follows:

- Emergency Planning

8.3 Management have agreed an action plan for each of the findings of the audit, please refer to Appendix 1.

8.4 With regards to progress in relation to limited assurance audits reported to this committee previously, the agreed action plans will be monitored by SWAP and progress reported to management and to this committee as part of their regular update reports.

8.5 Emergency Planning

8.6 The Council collaborates with the other district Councils and Devon County Council through the Devon Emergency Planning Partnership (DEPP). This collaboration helps to ensure collaboration across emergency planning allowing for a common set of plans, training and the ability to share expertise across local authority boundaries. The importance of this partnership approach was invaluable during the multiple major incidents declared in the first two months of 2026, in particular when two unexploded ordinances were found in Exmouth and Plymouth within an hour of each other.

As an integral part of the review of the Operations Directorate, the Strategic Director of Operations, commissioned SWAP to undertake an audit to provide assurance check on Emergency Planning following the Senior Management restructure.

The audit identified several areas of good practice; however, it also highlighted areas for consideration, most of which were areas being worked upon as part of the DEPP collaboration. In response, the following actions are being progressed:

- **Response and Recovery Plan Reviews:** A comprehensive review was underway by partnership when the audit was being conducted. That is resulting in training being planned for the Recovery plan in May 2026
- **Emergency Evacuation Plan testing:** Discussion are taking place with other partners to test the revised plan. Due to commitment of key partners, this may not be able to take place until early 2027.
- **Training:** A training programme that commenced prior to the audit is continuing. The Senior Management Team have received Strategic Command Training and Heads of Service have received Tactical Command Training. In addition, training has also been undertaken by identified staff in coastal pollution, avian flu and scientific and technological advice. Training has been schedule for May 2019 on Recovery to coincide with the revised Recovery Plan, with other training currently being planned for the latter part of 2026 and early 2027.
- **Incident Training and Debriefs:** As there have been several Major Incidents across Devon and Cornwall over recent months, the opportunity has been used to ensure that key officers are familiar with the Local Resilience Forum structure, meeting format and databases. This has also enabled familiarisation with the Response Plan and enabled several debriefing sessions on incidents to be held internally.

These actions aim to ensure robust governance and continued confidence in the integrity of the Council's Emergency Planning capabilities.

9. How does the decision contribute to the Council's Corporate Plan?

- 9.1 Remediation of audits with limited assurance contributes to the Council's purposes of a 'Well Run Council'.

10. What risks are there and how can they be reduced?

- 10.1 Audits with limited assurance indicate areas considered to present an organisation risk and potential significant impact. Management agrees action plans with the auditors to mitigate and reduce risks.

11. Equality Act 2010 (The Act)

- 11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:
- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
 - advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
 - foster good relations between people by tackling prejudice and promoting understanding.
- 11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the

authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because

11.4.1 The report is for information only.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

Not applicable

Strategic Director Corporate Resources

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:

None

Contact for enquiries:
Democratic Services (Committees)
Room 2.3
(01392) 265275

Audit Findings & Management Action Plan

Finding	Action												
<p><u>The Emergency Response plan has not been updated since 2017 and the Emergency Recovery plan has not been updated since 2019.</u></p> <p>The Emergency Response Plan and Emergency Recovery Plan are developed collectively by the partners of the Devon Emergency Planning Partnership (DEPP), and are not the sole responsibility of the council. Both plans have not undergone updates since 2017 and 2019, respectively, and there is no evidence that the plans have been updated following any training exercises or real emergencies. This lack of review may result in outdated procedures, misaligned responsibilities, and reduced preparedness for responding to and recovering from critical incidents.</p> <p>It should be noted that the Emergency Response plan is currently being revised, with all partners of the Devon Emergency Planning Partnership being asked to contribute.</p>	<p>Complete the revisions of the Emergency Response Plan ensuring active participation with all DEPP partners.</p> <p>Initiate a review and update of the Emergency Recovery Plan to address outdated procedures and responsibilities.</p> <p>Ensure the DEPP has a recurring review schedule for both plans to ensure updates occur after training exercises, real emergencies, or significant changes in operations.</p> <table border="1"> <tr> <td>Priority</td> <td>2</td> <td>SWAP Reference</td> <td>AP#7303</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Head of Environment and Waste</td> </tr> <tr> <td>Timescale</td> <td colspan="3">31 May 2026</td> </tr> </table>	Priority	2	SWAP Reference	AP#7303	Responsible Officer	Head of Environment and Waste			Timescale	31 May 2026		
Priority	2	SWAP Reference	AP#7303										
Responsible Officer	Head of Environment and Waste												
Timescale	31 May 2026												

Finding	Action												
<p><u>The Emergency Response and Recovery plans are not concise and user-friendly. In addition, there is no version control or change control process.</u></p> <p>The Emergency Response and Recovery plans lack clarity and accessibility, making them difficult for users to navigate effectively. Additionally, the absence of version control and a formal change control process creates risks of inconsistencies and untracked updates, potentially undermining the reliability of the plans during critical incidents.</p>	<p>The council will liaise with the wider DEPP partners to instigate a revision of the Emergency Response and Recovery plans to ensure clarity, conciseness, and ease of use.</p> <p>As stated above, the revised Emergency Response Plan, upon which partners of the DEPP have been asked to comment, does now include version control and a formal change control process to manage revisions consistently. The council will also ensure this is applied to the Emergency Recovery Plan.</p> <table border="1"> <tr> <td>Priority</td> <td>2</td> <td>SWAP Reference</td> <td>AP#7295</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Head of Environment and Waste</td> </tr> <tr> <td>Timescale</td> <td colspan="3">31 July 2026</td> </tr> </table>	Priority	2	SWAP Reference	AP#7295	Responsible Officer	Head of Environment and Waste			Timescale	31 July 2026		
Priority	2	SWAP Reference	AP#7295										
Responsible Officer	Head of Environment and Waste												
Timescale	31 July 2026												

Finding	Action												
<p><u>The council has not tested the effectiveness of the city centre evacuation plan in the event of an emergency.</u></p> <p>The council has not conducted a formal test of the city centre evacuation plan to assess its effectiveness in managing emergency scenarios. This lack of testing may result in unverified procedures, unclear roles, or unanticipated challenges during a real emergency, potentially compromising public safety and response coordination.</p>	<p>Schedule and conduct a comprehensive test of the city centre evacuation plan under simulated emergency conditions.</p> <p>Identify and address any gaps or weaknesses in the procedures.</p> <p>Provide training to all relevant stakeholders to ensure clarity of roles and enhance coordination during actual emergencies.</p> <p>Establish a recurring schedule for regular plan testing and updates.</p> <table border="1"> <tr> <td>Priority</td> <td>2</td> <td>SWAP Reference</td> <td>AP#7401</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Head of Environment and Waste</td> </tr> <tr> <td>Timescale</td> <td colspan="3">30 September 2026</td> </tr> </table>	Priority	2	SWAP Reference	AP#7401	Responsible Officer	Head of Environment and Waste			Timescale	30 September 2026		
Priority	2	SWAP Reference	AP#7401										
Responsible Officer	Head of Environment and Waste												
Timescale	30 September 2026												

Finding	Action												
<p><u>The emergency contact list has not been updated to show all the names and contact details of the Emergency Duty Officers, following the decision that all directors and heads of service would carry out this role.</u></p> <p>The emergency contact list is outdated and does not reflect the inclusion of all directors and heads of service as Emergency Duty Officers. This gap in documentation may hinder effective communication and response during emergencies.</p>	<p>The Head of Environment & Waste has updated the emergency contact list to include all directors and heads of service designated as Emergency Duty Officers.</p> <p>A process has been established for regular reviews and updates to ensure the list remains current.</p> <p>The updated list has been added to the Emergency Planning Teams Channel and Intranet site.</p> <table border="1"> <tr> <td>Priority</td> <td>2</td> <td>SWAP Reference</td> <td>AP#7302</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Head of Environment and Waste</td> </tr> <tr> <td>Timescale</td> <td colspan="3">Action Complete</td> </tr> </table>	Priority	2	SWAP Reference	AP#7302	Responsible Officer	Head of Environment and Waste			Timescale	Action Complete		
Priority	2	SWAP Reference	AP#7302										
Responsible Officer	Head of Environment and Waste												
Timescale	Action Complete												

Finding	Action												
<p><u>The council does not currently have a designated emergency planning officer; instead, the responsibilities of this role are carried out by the Head of Environment and Waste.</u></p> <p>The council lacks a designated emergency planning officer, with responsibilities currently assigned to the Head of Environment and Waste. This dual role may impact the effectiveness and focus required for emergency planning activities due to competing priorities and resource constraints.</p>	<p>A larger review of the whole directorate is being undertaken. Senior management are aware that there is a necessity for a review as to whether a designated emergency planning officer is required.</p> <p>Discuss the need for a designated emergency planning officer with senior management to oversee preparedness, response, and recovery initiatives.</p> <p>Appoint a designated emergency planning officer, where deemed necessary.</p> <table border="1"> <tr> <td>Priority</td> <td>2</td> <td>SWAP Reference</td> <td>AP#7197</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Strategic Director Operations</td> </tr> <tr> <td>Timescale</td> <td colspan="3">30th June 2026</td> </tr> </table>	Priority	2	SWAP Reference	AP#7197	Responsible Officer	Strategic Director Operations			Timescale	30th June 2026		
Priority	2	SWAP Reference	AP#7197										
Responsible Officer	Strategic Director Operations												
Timescale	30th June 2026												

Finding	Action												
<p><u>Following a restructure, directors and heads of service are new to the role of Emergency Duty Officer. As such, they have received only minimal training. Few have been involved in any recent training exercises or in a real emergency situation to have tested their knowledge.</u></p> <p>Directors and heads of service, newly appointed as emergency duty officers, have received limited training for the role. Additionally, few have participated in recent scenario training exercises or handled actual emergency scenarios, which may impact the effectiveness of their response during critical situations.</p> <p>The results from the survey conducted with directors and heads of service also indicate that they would welcome scenario testing to support them in their role.</p> <p>The council would be vulnerable to challenge on what qualifications, or training, officers that play a role in response and/or recovery have obtained, or received, in relation to Emergency Planning and towards the council’s responsibilities as a category 1 responder. It also places the council at risk of criticism should there be an incident and staff have not had the relevant training to be able to effectively respond to this.</p>	<p>The DEPP has recently created a Core Competency Framework which sets out the training requirements for all personnel when responding to and recovering from an emergency.</p> <p>Ensure that all directors and heads of service as emergency duty officers undertake the relevant training as prescribed within the Core Competency Framework, including refresher training. This should also incorporate scenario training exercises. All relevant officers will have tactical or strategic training, recovery training and partake in at least one exercise.</p> <p>Maintain detailed records of training completion to demonstrate compliance with emergency planning obligations and mitigate potential criticisms during incidents.</p> <table border="1"> <tr> <td>Priority</td> <td>2</td> <td>SWAP Reference</td> <td>AP#7304</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Head of Environment and Waste</td> </tr> <tr> <td>Timescale</td> <td colspan="3">31 October 2026</td> </tr> </table>	Priority	2	SWAP Reference	AP#7304	Responsible Officer	Head of Environment and Waste			Timescale	31 October 2026		
Priority	2	SWAP Reference	AP#7304										
Responsible Officer	Head of Environment and Waste												
Timescale	31 October 2026												

Finding	Action												
<p><u>Emergency Planning training for specific key roles, e.g., Emergency Support Officer (Loggist) has not yet been fully introduced across the council.</u></p> <p>As stated above, the DEPP has created a competency framework which sets out the training required for the different roles involved in emergency planning.</p> <p>The training for some critical roles, such as Emergency Support Officer (Loggist), has not been comprehensively implemented across the council. This gap may limit the council's ability to ensure consistent and effective emergency response capabilities.</p>	<p>Ensure the mandatory training program for all critical emergency response roles, including Emergency Support Officers (Loggists), is implemented. This will be broken down into specific measurables, depending on the role.</p> <p>Monitor participation and completion rates to ensure full implementation.</p> <p>Ensure periodic refresher training is undertaken in line with the frequency set out in the competency framework to maintain readiness and effectiveness.</p> <table border="1" data-bbox="1142 470 2112 606"> <tr> <td data-bbox="1142 470 1377 518">Priority</td> <td data-bbox="1377 470 1624 518">2</td> <td data-bbox="1624 470 1859 518">SWAP Reference</td> <td data-bbox="1859 470 2112 518">AP#7400</td> </tr> <tr> <td data-bbox="1142 518 1624 566">Responsible Officer</td> <td colspan="3" data-bbox="1624 518 2112 566">Head of Environment and Waste</td> </tr> <tr> <td data-bbox="1142 566 1624 606">Timescale</td> <td colspan="3" data-bbox="1624 566 2112 606">30 November 2026</td> </tr> </table>	Priority	2	SWAP Reference	AP#7400	Responsible Officer	Head of Environment and Waste			Timescale	30 November 2026		
Priority	2	SWAP Reference	AP#7400										
Responsible Officer	Head of Environment and Waste												
Timescale	30 November 2026												

REPORT TO AUDIT AND GOVERNANCE COMMITTEE

Date of Meeting: **26 March 2026**

Report of: **Head of Internal Audit, Assistant Director SWAP**

Title: **INTERNAL AUDIT PLAN AND INTERNAL AUDIT CHARTER AND MANDATE FOR THE YEAR ENDED 31 MARCH 2027**

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 The report sets out the proposed Internal Audit Plan for 2026/27 as well as the Internal Audit Charter and Mandate.

2. Recommendations:

2.1 That the 2026/27 Internal Audit Plan and Internal Audit Charter and Mandate are both reviewed and approved.

3. Reasons for the recommendation:

3.1 It is a requirement for the committee to approve the Internal Audit Plan and the Internal Audit Charter and Mandate.

4. What are the resource implications including non financial resources

4.1 None

5. Section 151 Officer comments:

5.1 The plan has been produced following detailed consultation with management and reflects areas where management feel internal audit will provide the greatest value. A number of the audits reflect significant systems of control which require regular review.

6. What are the legal aspects?

6.1 Internal Audit is a statutory requirement in accordance with the broad requirements of section 151 of the Local Government Act 1972 which requires that, inter alia, ‘...every local authority shall make arrangements for the proper administration of their financial affairs’. More particularly, the role of Internal Audit is set out in the Accounts and Audit (England) Regulations 2015. Regulation 3 requires a local authority to have ‘...a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk’. Regulation 5 sets out the provisions concerning the role of Internal Audit and states that ‘[a] relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance’

7. Monitoring Officer’s comments:

7.1 Internal audit is an essential function ‘...providing risk-based and objective assurance, advice and insight’ as stated in the Institute for Internal Auditors’ 2017 Mission Statement.

7.2 The Mission Statement provides a definition of the role of internal audit and states that the fundamental purpose, nature and scope of internal audit is to provide ‘...an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes’.

7.3 By working with services across the Council, Internal Audit works to ensure that Council objectives are met and that risks are well managed.

8. Report details:

8.1 In line with our professional standards SWAP needs to establish a risk based plan to determine the priorities of the Internal Audit activity, based on sufficient and appropriate coverage of key business objectives and associated risks. This risk based plan must take account of the requirement to provide an annual audit opinion on the effectiveness of the Council’s Governance, risk management and internal control environment.

8.2 The outcomes of each of the audits in our planned programme of work will provide senior management and Members with assurance that the council is adequately managing its current risks.

9. How does the decision contribute to the Council’s Corporate Plan?

9.1 Good governance contributes to the Council’s purpose of a “Well Run Council”.

10. What risks are there and how can they be reduced?

N/A

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 The report is for information only.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

N/A

Author: Lisa Fryer, Assistant Director SWAP

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 4.36
01392 265275

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Exeter City Council

2026/27 Internal Audit Plan and Internal Audit Charter

The Internal Audit Plan: Summary

The Internal Audit Plan is a summary of the proposed audit coverage that SWAP will deliver in the 2026/27 and 2027/28 financial years.

Delivering the Internal Audit Plan will enable SWAP to provide a comprehensive annual internal audit opinion.

Introduction and Objective of the Internal Audit Plan

Internal audit provides an independent and objective assessment of the council's risk management, governance, and control environment by evaluating its effectiveness.

Before the start of each financial year, SWAP works with senior management and members to create a proposed Internal Audit Plan.

The purpose of the Plan is to enable SWAP to provide an informed annual internal audit opinion, based on adequate coverage of key business objectives, risks, and risk management procedures.

Outcomes from our audits provide senior management and members with an independent judgment of the extent to which the council is adequately managing its current risks.

Internal audits are just one source of assurance. Internal audit outcomes should be considered alongside other sources as part of the 'three lines of defence' model. The key findings from our audits should also be considered alongside the Annual Governance Statement (AGS).

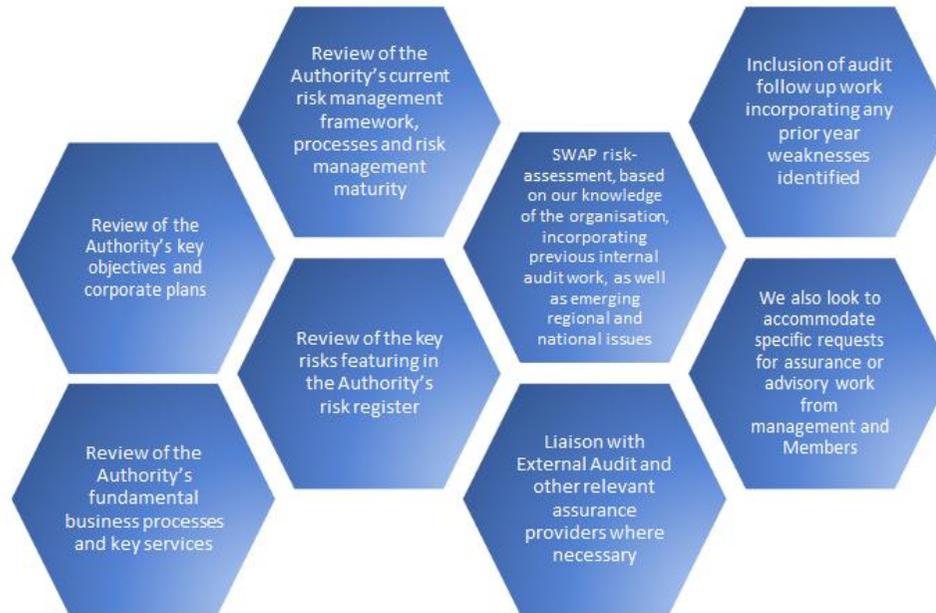
The council's senior management and the Audit and Governance Committee are responsible for confirming that the proposed Internal Audit Plan is adequate to provide independent assurance against the council's key risks.

The Internal Audit Plan: Approach

To develop the Plan, SWAP consulted senior management and members. Additionally, SWAP reviewed key documentation to gain a comprehensive understanding of the council's strategies, key objectives, risks, and risk management processes.

Approach to Internal Audit Planning for 2026/27 and 2027/28

The factors considered in putting together the internal audit plan have been set out below:



In recent years, we have produced an annual plan. However, under current Government policy, Local Government Reorganisation (LGR) will abolish all English Exeter City councils and create new unitary councils from April 2028. Five proposals have been submitted for Devon, with a final decision expected in summer 2026.

Given the anticipated LGR, we believe it is necessary to plan internal audit coverage for the remainder of the council's life. This ensures we address all key assurance needs for the current council while also considering the successor authority. We have therefore produced a full plan for 2026/27 and an indicative plan for 2027/28, which will be reviewed and updated for formal approval by the Audit and Governance Committee in March 2027.

The Internal Audit Plan: Risk Assessment

Conducting a documented risk assessment prior to developing an internal audit plan ensures that all relevant areas are sufficiently and appropriately considered.

Internal Audit Annual Risk Assessment

The proposed Internal Audit Plan is based on a documented risk assessment, which SWAP will review regularly. The assessment covers the Council’s corporate and operational risks and priorities, as well as broader SWAP risk themes and key systems. Below is a summary of the risk assessment outcomes for Exeter City Council:

Risk Assessment Considerations	
<p><u>Strategic Risks:</u></p> <ul style="list-style-type: none"> • Local Government Reorganisation • Net zero carbon city • Healthy and active city • AI, robotics and digitisation • Financial stability • Property and infrastructure assets • Delivering housing, building great neighbourhoods • Prosperous local economy • Customer and digital strategy 	<p><u>Local Issues:</u></p> <ul style="list-style-type: none"> • Counter fraud arrangements • Debt management • Procurement & contract management • Temporary Accommodation • CIL & S106 governance • Asset management • Information governance • Performance monitoring
<p><u>Core Areas of Recommended Coverage:</u></p> <ul style="list-style-type: none"> • Financial Management • Health and safety • Planning, housing, environment and local economy • Governance (including risk and performance management) • Contracts, procurement and commissioning • Workforce • Technology, digital and security • Strategic asset management 	<p><u>National Issues:</u></p> <ul style="list-style-type: none"> • Financial sustainability • Housing and homelessness • Cybersecurity and information governance • Capital programmes, asset condition & building • Workforce capacity, skills and succession • Procurement, contracts and commissioning • Climate change • Social housing standards • Waste and recycling

The Internal Audit Plan: Risk Assessment

Following our SWAP Risk Assessment above, we have set out how the proposed 2026/27 Plan presented in Appendix B provides coverage of the council's key corporate objectives and risks, as well as our core areas of recommended audit coverage.

Internal audit is only one source of assurance and should be considered in this context.

Internal Audit Coverage in 2026/27 and 2027/28

Our aim is to produce a comprehensive, risk-assessed work plan, which covers the council's strategic risks. We have prepared a proposed plan for 2026/27, and an indicative plan for 2027/28.

During preparation of the proposed Internal Audit Plan, we:

- Reviewed previous suggestions and audits deferred during 2025/26
- met with the Chair and Deputy Chair of the Audit and Governance Committee
- met with Strategic Directors
- presented the final proposal to the Senior Management Board for endorsement

These meetings have been key to agreeing a programme of work that reflects corporate goals and associated risks.

The council's strategic risk register, including the council's assessment of residual risk, is set out in **Appendix A**.

The proposed Internal Audit Plan for 2026/27 is included as **Appendix B**.

As part of the planning process we have identified some of the audits that we believe should take place in 2027/28. **Appendix C** maps the proposed audits for both 2026/27 and 2027/28 to the council's strategic risk register. It also shows our previous and planned audit coverage for each strategic risk over a five-year period (2023/24 to 2027/28). This demonstrates that we expect to cover all current strategic risks over that timeframe.

The proposed Internal Audit Charter and Mandate, which sets out our role, is included as **Appendix D**.

Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always sit with management. As such, we cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.

The Internal Audit Plan: SWAP

SWAP Internal Audit Services is a public sector, not-for-profit partnership, owned by the public sector partners that it serves. The SWAP partnership now includes public sector organisations throughout the UK. Exeter City Council is a part-owner of SWAP, and we provide the internal audit service for the council.

Over and above our Internal Audit service delivery, SWAP will look to add value throughout the year wherever possible. This will include:

- Benchmarking and sharing of best practice between our public-sector partners.
- Regular updates containing emerging issues, risks and fraud alerts identified across the SWAP partnership and beyond.

Your Internal Audit Service

Internal Audit Resources

The total budget allocated by the council for delivering the Internal Audit Plan in 2026/27 is £155,822.

We are satisfied that the current internal audit resources available represent a sufficient and appropriate mix of seniority and skill that can be effectively deployed to deliver the expected work. The key contacts in respect of your Internal Audit service are:

- Lisa Fryer, Assistant Director – lisa.fryer@swapaudit.co.uk
- Connor McLaughlin Nester, Principal Auditor – connor.mclaughlinnester@swapaudit.co.uk

We would encourage the council to seek alternative sources of assurance for risks that we have not been able to cover in the Internal Audit Plan.

External Quality Assurance

At least every five years, SWAP is subject to an External Quality Assessment of Internal Audit Activity (EQA). Our last EQA took place in November 2024. This confirmed our conformance with the Public Sector Internal Audit Standards that were in effect at that time.

In 2025 the new [Global Internal Audit Standards](#) (GIAS) came into effect. Alongside the GIAS, CIPFA published the [UK Public Sector Application Note](#), which sets out how public sector internal audit providers in the UK should interpret and apply the GIAS. We are conducting our work in line with these requirements.

Conflicts of Interest

We are not aware of any conflicts of interest with Exeter City Council that would impair our independence or objectivity. We will conform with the GIAS which includes ethics and professionalism standards in relation to integrity, objectivity, confidentiality, and competency.

Consultancy Engagements

As part of our internal audit service, we may accept consultancy engagements that have the potential to enhance risk management, add value, and improve the organisation's operations. Accepted consultancy work will contribute to our annual opinion and will be included in the Internal Audit Plan.

The Internal Audit Plan: Approach

As a company, SWAP has adopted the following values, which we ask our clients to assess us against following every piece of work that we do:

- People Centred
- Professional Integrity
- Supportive Collaboration
- Service Excellence
- Purpose-Driven Efficiency

Approach to Fraud

Internal Audit may assess the adequacy of arrangements to prevent and detect irregularities, fraud, and corruption. We have dedicated counter-fraud resources available to undertake specific investigations if required. However, the primary responsibility for preventing and detecting corruption, fraud, and irregularities rests with management, who should implement adequate internal control systems, including segregation of duties, and proper authorisation procedures.

Our Reporting

We provide a quarterly summary of our activity to senior management and the Audit and Governance Committee.

This report will include any significant risk and control issues (including fraud risks), governance issues, and other matters requiring the attention of senior management and/or the Committee.

Additionally, we will report any management responses to risks we have highlighted that we believe may be unacceptable to the organisation.

Internal Audit Charter

Each year, we present our Internal Audit Charter to the Audit and Governance Committee for approval.

The GIAS requires the Internal Audit Charter to set out the internal audit functions:

- Purpose
- Commitment to adhere to the GIAS
- Mandate, including the scope and types of services to be provided, and the organisation's responsibilities and expectations regarding management's support of the internal audit function; and
- Organisational position and reporting relationships

Our proposed Internal Audit Charter for 2026/27 is included in this report as **Appendix E**.

Internal Audit Performance:

As part of our annual internal audit opinion report to senior management and the Audit and Governance Committee, we will report on internal audit performance.

We measure our performance against the following targets:

The Internal Audit Plan: Approach

Performance Measure	Performance Target
<p><u>Delivery of Annual Internal Audit Plan</u> Completed at year end</p>	>90%
<p><u>Quality of Audit Work</u> Overall Client Satisfaction <i>(did our audit work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation)</i></p>	>95%
<p><u>Outcomes from Audit Work</u> Value to the Organisation <i>(client view of whether our audit work met or exceeded expectations, in terms of value to their area)</i></p>	>95%

Internal Audit Strategy

The [Global Internal Audit Standards](#) Standard 9.2 requires auditors to develop and implement an Internal Audit Strategy. The Strategy should set the medium-term direction for internal audit, support organisational objectives and align with Audit Committee and senior management expectations.

It should set out:

- The service’s vision
- Its strategic objectives and
- Initiatives for how the objectives will be achieved.

The Strategy is distinct from the Annual Plan, which covers a shorter period and specific engagements supporting the Annual Opinion.

How SWAP Addresses the Strategy Requirement

SWAP's **Five-Year Business Plan (2025-2030)** satisfies the Standards requirement for an Internal Audit Strategy. This plan outlines our strategic vision and details how we intend to develop and provide internal audit and assurance services throughout the five-year timeframe, including key objectives and the initiatives necessary to accomplish them. The Business Plan received unanimous approval from our Owner-Partners in December 2025.

Alignment to Exeter City Council’s Strategic Objectives

We designed our Business Plan around partner priorities and risks. In general, the Business Plan supports delivery of strategic objectives by aligning audit coverage, insight and capability to those priorities, for example:

SWAP Objective	How this supports Exeter City Council’s strategic priorities
Anticipatory Service Offer	Keeps our assurance and advice offer responsive to the council’s changing priorities over time.
Standards-Conforming Work	Improves the consistency and quality of internal audit work, strengthening assurance over ECC’s key delivery and governance arrangements.
Data-Driven Decisions	Enables more insight-led planning and reporting, supporting ECC’s focus on transparent decision making.
Partnership Benefits	Making partnership benefits tangible through consistent engagement and transparent reporting, helping ECC keep assurance aligned to priorities
Well-Governed Controls	Strengthening documented governance, risk and control arrangements to underpin service delivery across ECC priority areas

Monitoring the Business Plan

We monitor Business Plan delivery through SWAP’s governance. Oversight by an Executive Leadership team led by SWAP’s Chief Executive, regular reporting and challenge by our Board and biannual Owners’ meetings including representatives from every Partner organisation to review progress and agree material updates.

Read SWAP’s Business Plan at this [link](#).

Exeter City Council Corporate Risk Register

Appendix A

The table below sets out the council's strategic risk register, last published in June 2025.

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Risk ID	Risk Title	Residual Risk Score
1	Delivering against the key challenges in the Net Zero Carbon City section of the Corporate Plan	High
2	Making progress towards a Healthy and Active City	Medium
3	Adapting the council workforce to ensure appropriate skills and experience (developing a future proof workforce)	Medium
4	Maintaining the Financial Sustainability of the Council	High
5	Maintaining the Council's Property and Infrastructure Assets	High
6	Delivering Housing and Building Great Neighbourhoods and Communities	High
7	Maintaining a thriving Culture and Heritage sector	Low
8	Delivering against the key challenges in the 'Prosperous Local Economy' section of the Corporate Plan.	Medium
9	Progressing the design and delivery of a corporate Customer and Digital Strategy	Medium

The Risk Management Policy covers the criteria set by the council for assessing risk likelihood and impact. The residual risk assessment is the council's assessment of their risk exposure after mitigating action.

Proposed Internal Audit Plan 2026/27

Appendix B

Please note that the audit titles and high-level scopes listed below are only indicative at this stage for resource planning. At the start of each audit, we will hold an initial discussion with management to agree on the specific terms of reference, including the objective and scope of the review.

Audit	Audit Type	Planned Quarter	Rationale	Link to Strategic Risk Register	Corporate Priority
Fraud Risk Assessment	Assurance	1	Deferred from 25/26. Will identify areas at higher risk of fraud where improvement in control is needed.	4. Maintaining the Financial Sustainability of the Council	Well run Council
Fees & Charges	Assurance	1	This review will assess whether fees and charges set are appropriately determined, consistently applied and comply with relevant legislation and guidance.	4. Maintaining the Financial Sustainability of the Council	Well run Council
Use of Consultants	Assurance	1	Assurance on governance & processes followed, including procurement, in relation to the use of consultants. To include consultants engaged in project work.	3. Adapting the council workforce to ensure appropriate skills and experience	Well run Council
Health and Safety of Property Portfolio	Advisory	1	Deferred from 25/26. Review to determine control arrangements across the Property Portfolio.	5. Maintaining the Council's Property & Infrastructure Assets	Well run Council
Commercial Property Records	Assurance	2	To provide assurance of the accuracy and completeness of property records. It will support the council's preparations for LGR because these records will facilitate asset transfers and disposals.	5. Maintaining the Council's Property & Infrastructure Assets	Well run Council
Waste Management	Assurance	2	Deferred from 25/26. Look at recycle processing from receipt through to preparation for sale. Links to LGR readiness.		Local Economy
City Development (Development Management Service)	Assurance	2	To cover the end-to-end decision-making process for all types of planning applications including pre-application advice, delegated decision making, planning committee and post-decision work. Also to consider agreed procedures followed and documentation to support this.	6. Delivering Housing and Building Great Neighbourhoods and Communities	Homes
Financial Planning - MTFP	Assurance	2	Deferred from 25/26. Consider methodology followed including assessment of priorities and links to corporate plan.	4. Maintaining the Financial Sustainability of the Council	Well run Council
Safeguarding	Advisory	2	To review safeguarding arrangements across the Council and the procedures in place that are followed.	3. Adapting the council workforce to ensure appropriate skills and experience	Well run Council

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Audit	Audit Type	Planned Quarter	Rationale	Link to Strategic Risk Register	Corporate Priority
Delivery of the Capital Programme	Assurance	2	Focus on delivery of capital projects, schedule once new Capital Programme Board embedded.	4. Maintaining the Financial Sustainability of the Council	Well run Council
HRA Housing Compliance	Assurance	3	To agree a particular area of focus to ensure relevant regulations are being complied with. Consider electrical testing, gas servicing, lifts, legionella testing, fire risk assessments and asbestos testing for the housing revenue account portfolio.	5. Maintaining the Council's Property & Infrastructure Assets	Homes
Procurement Cards - Fraud Focus	Assurance	3	To provide assurance that controls in place are adequate to minimise fraud. Use of data analytics to inform testing.	4. Maintaining the Financial Sustainability of the Council	Well run Council
Risk Management	Assurance	3	Deferred from 2025/26. The council has been working with Zurich to improve risk management processes and the strategic risk register is currently being updated. The review will assess the council's updated process.		Well run Council
Payroll	Assurance	3	Key financial control review. To provide assurance that key controls are operating effectively to ensure that payments are accurate, appropriately authorised and made in a timely manner. Audit assurance ahead of LGR.	4. Maintaining the Financial Sustainability of the Council	Well run Council
HRA Repairs & Maintenance	Follow-up	3	Limited assurance follow up.	5. Maintaining the Council's Property & Infrastructure Assets	Homes
Procurement	Follow-up	3	Limited assurance follow up.	4. Maintaining the Financial Sustainability of the Council	Well run Council
CIL/s106 Governance	Follow-up	3	Limited assurance follow up.	6. Delivering Housing and Building Great Neighbourhoods and Communities	Homes
Maintenance & Capital Programme of Works	Follow-up	3	Limited assurance follow up.	5. Maintaining the Council's Property & Infrastructure Assets	Homes
Consultation/ Community Engagement	Assurance	4	Review of new consultation & engagement strategy.		Well run Council

Audit	Audit Type	Planned Quarter	Rationale	Link to Strategic Risk Register	Corporate Priority
Communications Strategy	Follow-up	4	Limited assurance follow up.		Well run Council
Temporary Accommodation	Follow-up	4	Limited assurance follow up.	6. Delivering Housing and Building Great Neighbourhoods and Communities	Homes
Information Governance	Follow-up	4	Limited assurance follow up.	9. Progressing the design & delivery of a corporate customer and digital strategy	Well run Council
Emergency Planning	Follow-up	4	Limited assurance follow up.		Well run Council
Fraud Advice & Support	Advisory	1-4	Referrals and support as required		Well run Council

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In addition to the programme of audits, we will also use our time provide support in the following areas during 2026/27.

Advice & Support	<ul style="list-style-type: none"> • Committee attendance & reporting • Head of Internal Audit role and internal audit planning • Action tracking and dashboard • Ad-hoc advice • Fraud bulletins and News Round-up
------------------	--

Mapping the Internal Audit Plan and Strategic Risk Register

Appendix C

The table below demonstrates how our completed and planned internal audit work links to the strategic risk register.

These audits are subject to change and formal approval by the Audit and Governance Committee in March 2027 but are named here for transparency.

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Risk ID	Risk Title	Internal Audit Coverage				
		2023/24	2024/25	2025/26	2026/27	2027/28
1	Delivering against the key challenges in the Net Zero Carbon City section of the Corporate Plan	<ul style="list-style-type: none"> Net zero/carbon reduction 		<ul style="list-style-type: none"> Social housing decarbonisation grant certification 	<ul style="list-style-type: none"> Social housing decarbonisation grant certification 	
2	Making progress towards a Healthy and Active City	<ul style="list-style-type: none"> Leisure facilities – spa/ food and beverages 				<ul style="list-style-type: none"> Leisure Services
3	Adapting the council workforce to ensure appropriate skills and experience (developing a future proof workforce)	<ul style="list-style-type: none"> Health & safety training 	<ul style="list-style-type: none"> Occupational health services 	<ul style="list-style-type: none"> Health & safety at work 	<ul style="list-style-type: none"> Use of Consultants Safeguarding 	<ul style="list-style-type: none"> HR records
4	Maintaining the Financial Sustainability of the Council	<ul style="list-style-type: none"> Counter fraud Contract management Main accounting Income management Creditors Treasury Management VAT Payments & collection Sundry debtors NDR Payroll Corporate Governance 	<ul style="list-style-type: none"> Housing benefit decisions Budget management Creditors Council tax arrears Procurement Debt management 	<ul style="list-style-type: none"> Expenses payroll Contract register Fraud baseline assessment Housing rents & arrears 	<ul style="list-style-type: none"> Fraud Risk Assessment Fees & charges Financial Planning MTFP Procurements cards – fraud focus Delivery of the Capital programme Payroll 	<ul style="list-style-type: none"> Contract Management Treasury Management Creditors Business rates Council tax Debtors

Risk ID	Risk Title	Internal Audit Coverage				
		2023/24	2024/25	2025/26	2026/27	2027/28
5	Maintaining the Council's Property and Infrastructure Assets	<ul style="list-style-type: none"> Fleet management 	<ul style="list-style-type: none"> Corporate Property – Maintenance & capital programme HRA repairs & maintenance 	<ul style="list-style-type: none"> HRA housing Compliance 	<ul style="list-style-type: none"> Health and Safety of Property Portfolio Commercial Property Records 	<ul style="list-style-type: none"> HRA housing compliance HRA capital expenditure
6	Delivering Housing and Building Great Neighbourhoods and Communities	<ul style="list-style-type: none"> Planning 	<ul style="list-style-type: none"> Temporary accommodation 	<ul style="list-style-type: none"> Community safety Planning – biodiversity net gain Private sector housing 	<ul style="list-style-type: none"> Housing Development Management 	<ul style="list-style-type: none"> Social housing Housing needs
7	Maintaining a thriving Culture and Heritage sector	<ul style="list-style-type: none"> Visit Exeter 		<ul style="list-style-type: none"> RAMM MEND fund grant certification Museum renewal fund grant certification 		
8	Delivering against the key challenges in the 'Prosperous Local Economy' section of the Corporate Plan.	<ul style="list-style-type: none"> Taxi Licencing 				
9	Progressing the design and delivery of a corporate Customer and Digital Strategy			<ul style="list-style-type: none"> Information governance 		

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We note not all risks have scheduled reviews against them in 2026/27 and 2027/28. The council is responsible for delivering a wide range of functions, and therefore it is not possible to cover all associated risks in any one year. We will monitor these risks and flexibly adapt our audit plan as appropriate and if required to cover these risks.

Purpose

SWAP Internal Audit Services creates, protects, and sustains value by providing the audit committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight, that meets rigorous professional standards.

The internal audit function enhances Exeter City Council's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

The internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with the Institute of Internal Auditors Global Internal Audit Standards which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the audit committee.
- Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adherence to the Professional Standards

The Accounts and Audit (England) Regulations, state that: "A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance."

The internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements, subject to the Application Note for UK Public Sector Internal Audit. The chief audit executive will report annually to Exeter City Council's audit committee and senior management regarding the internal audit function's conformance with the Global Internal Audit Standards in the UK Public Sector, which will be assessed through a quality assurance and improvement program, managed and monitored by the SWAP senior management team and the SWAP board.

Mandate

Authority

The audit committee grants the internal audit function the mandate to provide the audit committee and senior management with objective assurance, advice, insight, and foresight.

The internal audit function's authority is created by its direct reporting relationship to the audit committee. Such authority allows for unrestricted access to the audit committee.

The audit committee authorises the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of Exeter City Council and other specialized services from within or outside Exeter City Council to complete internal audit services.

Independence, Organisational Position and Reporting Relationships

The chief audit executive will be positioned at a level in the organization that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. The chief audit executive will report functionally to the audit committee and administratively (for example, day-to-day operations) to the Director of Finance (Section 151 Officer).

This positioning provides the authority and status to bring matters directly to senior management and escalate matters to the audit committee, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The chief audit executive will confirm to the audit committee, at least annually, the organisational independence of the internal audit function. If the governance structure does not support organisational independence, the chief audit executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The chief audit executive will disclose to the audit committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfil its mandate.

Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the chief audit executive, audit committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change to the Global Internal Audit Standards in the UK Public Sector.
- A significant acquisition or reorganisation within the organisation.
- Significant changes in the chief audit executive, audit committee, and/or senior management.
- Significant changes to the organisation's strategies, objectives, risk profile, or the environment in which the organisation operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

Audit Committee Oversight

To establish, maintain, and ensure that the internal audit function has sufficient authority to fulfil its duties, the audit committee will:

- Discuss with the chief audit executive and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the chief audit executive has unrestricted access to, communicates, and interacts directly with the audit committee, including in private meetings without senior management present.
- Ensure arrangements are in place to notify the chief audit executive of all suspected or detected fraud, corruption, or impropriety.
- Discuss with the chief audit executive and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with the chief audit executive and senior management about the "essential conditions," described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit function's charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter annually with the chief audit executive to consider changes affecting the organisation, such as the employment of a new chief audit executive / head of internal audit or changes in the type, severity, and interdependencies of risks to the organisation; and approve the internal audit charter annually.
- Approve the risk-based internal audit plan.
- Collaborate with senior management to determine the budgets, qualifications, and competencies the organisation expects in a chief audit executive, as described in the Global Internal Audit Standards in the UK Public Sector.
- Review the chief audit executive's performance, provide feedback to the SWAP CEO, plus senior management, and the organisation's CEO.
- Receive communications from the chief audit executive about the internal audit function including its performance relative to its plan.
- Ensure a quality assurance and improvement program has been established.
- Review of the results of the quality assurance and improvement program annually.

- Make appropriate inquiries of management and the chief audit executive to determine whether scope or resource limitations are inappropriate.

Chief Audit Executive Roles and Responsibilities

Ethics and Professionalism

The chief audit executive will ensure that internal auditors:

- Conform with the Global Internal Audit Standards in the UK Public Sector, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of Exeter City Council and be able to recognize conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organisation.
- Report organisational behaviour that is inconsistent with the organisation's ethical expectations, as described in applicable policies and procedures.

Objectivity

The chief audit executive will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the chief audit executive determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for Exeter City Council or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Exeter City Council employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the chief audit executive, audit committee, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.

- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Managing the Internal Audit Function

The chief audit executive has the responsibility to:

- At least annually, submit a risk-based internal audit plan to the audit committee and senior management for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the audit committee and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in Exeter City Council's business, risks, operations, programs, systems, and controls.
- Communicate with the audit committee and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards in the UK Public Sector.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the audit committee and senior management annually and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the Global Internal Audit Standards in the UK Public Sector and fulfil the internal audit mandate.
- Identify and consider trends and emerging issues that could impact Exeter City Council and communicate to the audit committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to Exeter City Council's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards in the UK Public Sector. Any such conflicts will be resolved or documented and communicated to the audit committee and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the chief audit executive cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the audit committee.

Communication with the Audit Committee and Senior Management

The chief audit executive will report annually to the audit committee and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Significant revisions to the internal audit plan.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with the Global Internal Audit Standards in the UK Public Sector and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the audit committee.

- Results of assurance and advisory services.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond Exeter City Council's risk appetite.
- Clarification over the responsibility to complete a fraud risk assessment, and presentation of this where responsibility belongs to SWAP.

Quality Assurance and Improvement Program

The SWAP senior leadership team in collaboration with the chief audit executive / will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards in the UK Public Sector, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the chief audit executive will communicate with the audit committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be completed at least once every five years by a qualified, independent assessor or assessment team from outside both SWAP and Exeter City Council; qualifications must include at least one assessor holding an active Chartered Internal Auditor credential.

Scope and Types of Internal Audit Services

The scope of internal audit services covers the entire breadth of the organization, including all of Exeter City Council's activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the audit committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Exeter City Council.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of Exeter City Council's strategic objectives are appropriately identified and managed.
- The actions of Exeter City Council's officers, directors, management, employees, and contractors comply with Exeter City Council's policies, procedures, and applicable laws, regulations, and governance standards.

- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Exeter City Council.
- The integrity of information and the means used to identify, measure, analyse, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

REPORT TO AUDIT & GOVERNANCE COMMITTEE

Date of Meeting: 26 March 2026

Report of: Strategic Director for Corporate Resources

Title: CODE OF CORPORATE GOVERNANCE – 2026/27

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 The report sets out the proposed Code of Corporate Governance to reflect the updated principles of Delivering Good Governance in Local Government (CIPFA/Solace 2016).

2. Recommendations:

It is recommended that:

2.1 Audit and Governance Committee supports and Council approves the Code of Corporate Governance for 2026/27.

3. Reasons for the recommendation:

3.1 The Council is required to prepare and publish an Annual Governance Statement by Regulation 4 of the Accounts and Audit (England) Regulations 2011. It reports on the Council's performance against the Code of Corporate Governance. It is best practice to review and update the Code annually.

4. What are the resource implications including non financial resources.

4.1 There are no resource implications contained within the report.

5. Section 151 Officer comments:

5.1 The production of the Code of Corporate Governance is considered best practice. However the requirement to produce an Annual Governance Statement, which reports on the Council's performance with reference to the Code is a statutory requirement.

6. What are the legal aspects?

- 6.1 The CIPFA/SOLACE framework ‘Delivering Good Governance in Local Government’ provides guidance on good governance practices. The Code of Corporate Governance is designed to reflect its principles and to comply with Regulation 4 of the Accounts and Audit (England) Regulations 2015.

7. Monitoring Officer’s comments:

- 7.1 The Code of Corporate Governance sets out the principles of good governance and what arrangements it has in place to ensure that the Council conducts its business in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively in accordance with the Council’s duty to secure continuous improvement in the way that it exercises its functions.
- 7.2 The Accounts and Audit Regulations 2015 require local authorities to review at least annually the effectiveness of its systems of internal control. The Council fulfils this requirement by performing the review in accordance with the CIPFA/SOLACE framework.

8. Report details:

- 8.1 The Code of Corporate Governance is required to be updated annually. The updated Code is attached at Appendix A.
- 8.2 The code has been updated to reflect the new principles set by CIPFA/SOLACE and the opportunity has been taken to present it more in line with the Annual Governance Statement that reports on the Council’s performance. The Code has also been updated to reflect the new Management Structure and the Internal Audit Service being provided by South West Audit Partnership. A comprehensive review of the Constitution will be undertaken this year and this will be reflected in next year’s Code.

9. How does the decision contribute to the Council’s Corporate Plan?

- 9.1 This is a statutory requirement and does not contribute directly to the Council’s Corporate Plan.

10. What risks are there and how can they be reduced?

- 10.1 There are no direct risks associated with this report

EQUALITY ACT 2010 (THE ACT)

- 11.1 Under the Act’s Public Sector Equalities Duty, decision makers are required to consider the need to:
- eliminate discrimination, harassment, victimisation and any other prohibited conduct;

- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because

11.4.1 The report sets out a framework that does not directly impact on people.

CARBON FOOTPRINT (ENVIRONMENTAL) IMPLICATIONS:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 Not applicable

Strategic Director of Corporate Resources

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:

Democratic Services (Committees)

Room 2.3

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Exeter City Council

Code of Corporate Governance 2026-27

Code of Corporate Governance

Scope of Responsibility

Exeter City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of Delivering Good Governance in Local Government (CIPFA/Solace 2016). This statement explains how Exeter City Council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2015, paragraph 4(3), which required all relevant bodies to prepare an Annual Governance Statement.

The Code of Governance sets out the seven principles of good governance and the arrangements the Council has put in place to meet each of these principles:

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social and environmental benefits.
4. Determining interventions necessary to optimise the achievement of the intended outcomes.
5. Developing the Council's capacity. Including the capability of its leadership and individuals within it.
6. Managing risk and performance through robust internal control and strong public financial management.
7. Implementing good practices in transparency, reporting and audit to deliver effective accountability.

A copy of the Council's code is available on our website.

Code of Corporate Governance

The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled together with activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its purposes and to consider whether those purposes have led to the delivery of appropriate, cost-effective services.

The Council's system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can, therefore, only provide reasonable and not absolute assurance of effectiveness. There is an ongoing process designed to identify and prioritise risks to the achievement of Council policies, aims and objectives, to evaluate the likelihood and impact of those risks being realised and to manage them efficiently, effectively and economically.

The governance framework has been in place at Exeter City Council for the year ended 31 March 2025 and up to the date of the approval of the annual statement of accounts.

The Governance Framework

The Council's Governance Framework addresses the way the Council is controlled and managed, both strategically and operationally, and how it will deliver its services. The Framework recognises that the Council's business is focused upon its corporate priorities and seeks to facilitate delivery to our local communities of the goals set out in the Council's Corporate Plan 2025-28. The structures and processes, risk management and other internal control systems, such as standards of conduct, form part of this Framework, which is about managing the barriers to achieving the Council's objectives.

The local Code of Corporate Governance is reviewed annually through the Audit and Governance Committee and was last reviewed and recommended for approval by Council on 19 March 2025. Members and senior officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal. This task is managed by the Strategic Management Board (SMB) which comprises the Chief Executive and Strategic Directors including the Section 151 Officer.

The Council has designed systems and processes to regulate, monitor and control its activities in order to achieve its vision and objectives. The Code of Corporate Governance sets out the controls in full.

Code of Corporate Governance

The key elements of the Governance Framework

Role of Governance Arrangements

The Council operates Executive governance arrangements, which consist of Executive and Scrutiny function. All Executive members have been allocated a specific portfolio and are responsible for driving forward the Council's key strategic aims.

The Council has a constitution which sets out how the Authority operates, how decisions are made and the procedures which are followed to ensure that decisions are efficient, transparent, and accountable to local people. This was approved in (insert date) and will be kept under review throughout the year.

Role of the Council

Council

- Comprises 39 elected Members (Councillors)
- Approves the Council's Corporate Strategy, Policy and Budgetary Framework
- Approves the Constitution
- Appoints to Committees, Sub-Committees and Outside Bodies

Role of Executive

Executive

- The Executive is responsible for most of the day to day decisions of the Council which are not delegated to officers. It is made up of the Leader of the Council and Portfolio Holders who have responsibilities for various service areas. It develops policies and strategies for approval by Council, exercises overall control of resources within the Council's policies and budget, and recommends the level of council tax to the Council. It also considers any matters specifically referred by a Scrutiny Committee

The Executive now regularly considers strategic risk registers, performance, complaints and other items which make up the governance framework. Scrutiny Committee are sighted on the Executive's work plan and may consider as appropriate. The Executive provides strategic leadership to the authority and is held to account by the Council's Scrutiny Committees.

Code of Corporate Governance

Role of Scrutiny

Scrutiny Committee

- Not a decision-making body but seek to influence policies and decisions
- Have the ability to challenge / review decisions by calling them in
- Can investigate issues of public importance

The role that Scrutiny can play in holding an authority's decision-makers to account makes it fundamentally important to the successful functioning of local democracy. Effective scrutiny helps secure the efficient delivery of public services and drives improvements within the authority itself.

Role of Audit and Governance Committee

Audit & Governance

- To provide independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment
- Approves the Annual Governance Statement and the Statement of Accounts
- To promote high standards of member conduct

The Committee meets with the external and internal auditor to discuss findings in the Annual Audit Management Letter and Reports and the Committee is responsible for ensuring that the Council's system for internal control is sound by reviewing control mechanisms, and guidelines (both internal and external) as well as adherence to these, ensuring continued probity and good governance of the Council's operations.

Code of Corporate Governance

Role of Management

The Authority has two layers of management and its management teams each play an important role in maintaining the governance framework.

Strategic Management Board (SMB)

- Implements policy and budgetary framework set by Council and provides advice to Committees of the Council on the development of future policy, procedure and budgetary issues
- Oversees the delivery of the Council's Corporate Strategy and implementation of Council Policy
- Oversees the implementation of audit recommendations to improve weaknesses in controls in a timely manner

Operational Management Board (OMB)

- Responsible for developing, maintaining and implementing the Council's governance risk and control framework
- Contribute to the effective corporate management and governance of the Council
- Responsible for ensuring audit recommendations to improve weaknesses in controls are actioned in a timely manner

The Strategic management Board ("SMB") comprising the Chief Executive and Strategic Directors meet weekly and focus on strategic issues, projects and programs and the health of the organisation.

The Operational Management Board ("OMB") comprises all service managers and they meet monthly to consider operational service issues and ensure compliance with corporate matters, such as performance, risk registers, compliance.

The Extended Leadership Team ("ELT") comprising SMB and OMB meet regularly and focus on both the Council's strategic direction, leadership and organisational development.

All Strategic Directors meet with the Heads of Service in their respective Directorates to consider specific service matters regularly.

Code of Corporate Governance

Role of Statutory Officers

Head of Paid Service

- Overall Corporate management and operational responsibility for the Council, including overall management responsibility for all employees
- The Head of Paid Service will determine how the Council's functions are discharged, the Council's structure, the number and grade of officers required to discharge those functions
- The provision of professional advice to all parties in the decision making process and responsibility for a system of record keeping for all the council's decisions
- Proper Officer for Access to Information

Section 151 Officer

- Accountable for developing and maintaining the Council's governance, risks and control framework
- Ensuring lawfulness and financing prudence of decision making and the administration of financial affairs
- Providing advice to all Councilors' on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues
- Support and advise Councilors in their respective roles
- Contributes to the effective corporate management and governance of the Council

Monitoring Officer (MO)

- Monitoring, reviewing and maintaining the Constitution
- Ensuring lawfulness and fairness of decision making
- Supporting the Audit & Governance Committee by conducting investigations and/or undertaking other action in respect of matters referred by the Committee
- Advising whether decisions are in accordance with the Constitution
- Providing advice to all Councilors on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues
- Support and advise Councilors in their respective roles
- Contribute to the effective corporate management and governance of the Council

Code of Corporate Governance

The three statutory officers; the Head of Paid Service (the Chief Executive), the Monitoring Officer (Head of Service – Legal & Democratic) and Section 151 Officer (Strategic Director for Corporate Resources) fulfil the statutory duties associated with their roles as detailed above.

The Council's financial management arrangements conform to the governance requirements as set out in the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

The Council formally reviews its Financial Procedure Rules on a regular basis. On-going updates are implemented as part of the regular reviews of the Constitution.

Role of Southwest Audit Partnership

Internal Audit (South West Audit Partnership)

- Provides independent assurance and opinion on the adequacy and effectiveness of the Council's risk management and control framework
- Delivers an annual program of risk-based audit activity, including counter fraud and investigation activity and makes recommendations for the improvement in the management of risk and control

The Southwest Audit partnership is responsible for monitoring the quality and effectiveness of systems of internal control. The Council has delegated its Internal Audit function to Southwest Audit partnership. Internal Audit undertakes its work in accordance with the CIPFA Code of Practice for Internal Audit in the United Kingdom and the Public Sector Internal Audit Standards.

A risk model is used to formulate an annual audit work plan, progress against which is reviewed each quarter by Senior Leadership Team and the Audit & Governance Committee. The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant Director and Service Lead as well as the Section 151 Officer.

The reports include an independent opinion on the adequacy of the applicable internal controls, audit findings and recommendations for improvements with an agreed timescale for implementation.

Progress against recommendations is followed up by Internal Audit and reported to Audit and Governance Committee at each meeting throughout the year.

Code of Corporate Governance

The Internal Audit Annual Report 2024/25 was considered by the Audit and Governance Committee in July 2025. Internal Audit's opinion overall, based on all Internal Audit work during the year is that Satisfactory Assurance can be given over the adequacy and effectiveness of the Council's control environment for 2023/24.

Role of External Audit

The current external auditors are Grant Thornton. External Auditors audit the financial statements and provide an audit opinion on whether the financial statements of the Council give a true and fair view of the financial position as at 31 March 2025 and of the income and expenditure for the year then ended. An unqualified opinion was issued in February 2026.

External auditors also consider whether the Council has put in place proper arrangements to secure economy, efficiency, effectiveness on its use of resources.

This Annual Governance Statement for 2024/25 is the latest accountability statement for governance.

Role of Risk Management

A robust risk management framework is an integral part of operational service delivery and the decision-making process. The Council has a Performance and Risk Management Framework in place which provides visibility and assurance that there is a robust approach to managing performance and risk. An up to date and regularly reviewed Risk Management Policy and Strategy is maintained. This requires that both Directorate and Strategic Risk Registers are maintained with appropriate action plans to mitigate and manage identified risks. The strategic risk registers are reviewed and updated at the SMB Team as appropriate.

Responsibility for assessing the adequacy of the risk management process sits with the Audit and Governance Committee. Review of the risks and the implementation of mitigating controls included in the Corporate Risk Register (CRR) is undertaken by the Executive as owners of the CRR, this is done on a quarterly basis. The Council's Strategic Management Board (SMB) are responsible for constantly reviewing the risks being posed to the Council

Heads of Service monitor risks at operational level and feedback any issues to their Strategic Director. Any significant risks, at operational level, that could impact the Council corporately are escalated to the CRR. The administrative support for the CRR process is provided by the Executive Office Manager.

To ensure that risk is considered when decisions are made, all reports presented to Members must include a risk assessment of the actions or implications within the report. This assessment also covers legal and financial considerations. Risk assessments are also put in place as part of the Council's Project Management process.

Code of Corporate Governance

The Strategic Risk Register is reported to the Executive to ensure those agreeing and implementing policy decisions, do so in knowledge of the context of the risks being faced by the Council.

Review of effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by:

- ✓ The work of the Strategic Management Board who have responsibility for the development and maintenance of the governance environment.
- ✓ The work of Executive who are responsible for considering overall financial and performance management and receive comprehensive reports throughout the year.
- ✓ The work of Customer Focus and Strategic Scrutiny Committees who monitor the overall financial performance of the Council.
- ✓ The work of the Audit & Governance Committee who monitor the standards of conduct of Members, effectiveness of risk management, the work of Internal Audit and the system of internal control.
- ✓ The Section 151 Officer who is responsible for delivering and overseeing the financial management of the Council.
- ✓ The Monitoring Officer who provides assurance that the Council has complied with its statutory and regulatory obligations.
- ✓ Annual reviews of the Council's key financial and non-financial systems by Internal Audit against known and evolving risks which are reported on a quarterly basis to the Audit & Governance Committee.
- ✓ Annual reviews of the Council's financial accounts and records by the External Auditors leading to their opinion as published in the year-end statements.
- ✓ Ongoing reviews of strategic and operational risks in each service area and the conduct of risk analysis and management in respect of major projects undertaken by the Council.
- ✓ Reviews and, where appropriate, updates of the Council's Constitution including Financial Regulations and Standing Orders
- ✓ Comments made by other review agencies and inspectorates.

Financial Management Arrangements

The Council's financial management arrangements conform with the governance requirements of the CIPFA "Statement on the Role of the Chief Financial Officer in Local Government" (2010) as set out in the "Application Note to Delivering Good Governance in Local Government: Framework" and with the CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations. The Section 151 Officer is a member of the Council's Strategic Management Board.

Code of Corporate Governance

Internal Audit

The Internal Audit Service is provided by South West Audit Partnership and is managed and delivered in accordance with the Public Sector Internal Audit Standards (PSIAS) which were introduced in April 2013. It is a requirement of the standards that an independent external review of Internal Audit's compliance with PSIAS is undertaken every five years. This external review was completed in December 2024 when the external assessor concluded that:

"It is our overall opinion that SWAP **generally conforms** to the Public Sector Internal Audit Standards (PSIAS), including the *Definition of Internal Auditing*, the *Code of Ethics* and the *Standards*."

Based on the assurance work undertaken by Internal Audit, the Audit Manager has provided an opinion on the adequacy of the control environment as part of the Annual Internal Audit Report which concluded that the key systems are operating soundly and that there are no fundamental breakdowns of controls resulting in material discrepancy.

External Audit

The Council's external auditor (Grant Thornton) has not yet issued a certificate of completion in respect of 2020/21, although all necessary audit work has been completed. With regards to 2021/22, 2022/23, 2023/24 and 2024/25 again Grant Thornton has not yet issued a certificate of completion, but all work has been completed and an audit opinion has been issued for each year.

Corporate Complaints

The Council has a centralised corporate complaints process. Complaints can be made within 12 months of an issue arising and are generally passed to the relevant Head of Service as a stage 1 complaint to investigate. If the complainant is dissatisfied with the response they can request a review by a Senior Officer (Stage 2). Responses are issued within 10 working days for Stage 1 complaints and 20 working days for stage 2 complaints, although extensions may be requested for more complex issues.

Performance Management

The Council's Performance Management Framework is being developed using Power BI. All Services have contributed performance data and it is expected that the system will be launched this year.

REPORT TO AUDIT AND GOVERNANCE COMMITTEE

Date of Meeting: 26 March 2026

Report of: Strategic Director of Corporate Resources

Title: Corporate Risk Register

Is this a Key Decision?

No

Is this an Executive or council function?

Risk management is a council function.

Risk Management is an important element of the council's Code of Corporate Governance. Regular monitoring of the council's corporate risks helps to ensure that the council's business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

1. What is the report about?

1.1 The report advises the committee of the council's risk management progress and presents the updated Corporate Risk Heat Map and trend analysis for the current risks associated with the delivery of the council's strategic priorities.

2. Recommendations:

2.1 That the Audit and Governance committee:

- reviews the progress that has been made in reviewing and updating the Corporate Risk Register.

3. Reasons for the recommendation:

3.1 To provide assurance to the Audit and Governance Committee that work is progressing to undertake a full review of the council's Corporate Risk Register and to provide an update against the current Corporate Risk Register.

4. What are the resource implications including non financial resources.

4.1 The Executive, Strategic Directors and Heads of Service, as appropriate, are asked to review the Corporate Risk Register on a quarterly basis. The register is reviewed quarterly by the Strategic Management Board.

4.2 Any actions agreed to mitigate the risks identified in the Corporate Risk Register may result in some resource implication. These would be subject to a specific report and the resource implications would be considered in that report.

5. Section 151 Officer comments:

5.1 SMB and the Executive have produced the register based on the Council's Strategic Priorities set out in the former Corporate Plan. A summary of the register can be found in section 8.4 of this report. In light of LGR, and the new Corporate Plan, there will be a significant review of the risk register to reflect the impact on the City Council (including financial risks).

6. What are the legal aspects?

- 6.1 Risk Management is an essential management tool to manage, assess and prioritise risks. Members will note the content of this report and the updated Corporate Risk Register at Appendix A which identifies risks so that they can be understood and managed proactively.

7. Monitoring Officer's comments:

- 7.1 There is no specific regulatory requirement to keep a risk register. However, it is a standard method to monitor and assess risk.
- 7.2 The purpose of the risk register is so that the council can demonstrate a robust system of internal control. It provides for an ongoing process of assessment of risk by identifying and prioritising risks. It is designed to manage risk to a reasonable level by evaluating and understanding the likelihood and impact of risks being realised with a view to managing them proactively. However, it cannot eliminate all risks and therefore provides a reasonable and not absolute assurance of effectiveness.

8. Report details:

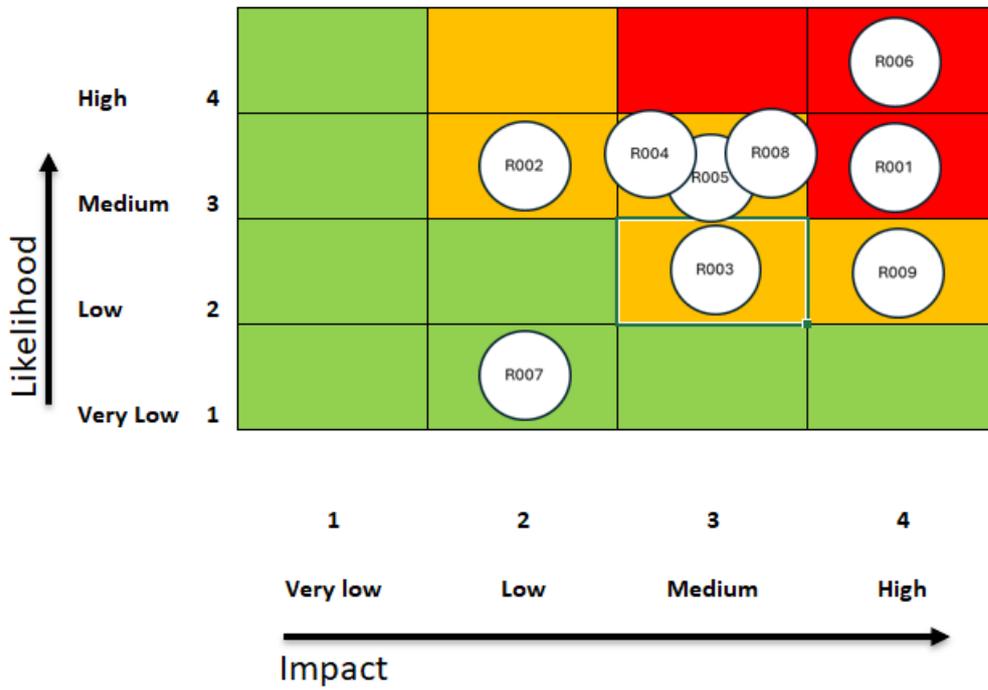
Progress Update

- 8.1 The council is in the process of undertaking a full review of its Corporate Risk Register. There are three important reasons for doing this:
- The register contains risks which may not truly be a corporate risk. This can result in the Strategic Management Board and Members discussing operational risks which can be managed at a service level. This is not a good use of resources.
 - Local Government Reorganisation (LGR) will place increasing demand on the council's capacity and resources. The council is still undertaking detailed work to understand the work that will be required to deliver LGR over the next two years and how this will be achieved alongside maintaining business as usual and delivering against strategic priorities.
- 8.2 Over the last six months, the council has embarked on a training and awareness exercise with Executive Members, Audit and Governance Members and the Extended Leadership Team to provide training on how to manage corporate and operational risks and how to develop service risk registers. This will help to ensure consistency in approach going forward.
- 8.3 The council has also undertaken work to improve the current risk management reporting process. This includes creating a risk heatmap, so that officers and Members can clearly see risk scores and creating risk trends for comparing risk scores on a quarterly basis which will enable a more dynamic and pro-active approach to risk management.
- 8.4 Work will continue to develop the risk register after the elections have taken place and the new councillors have been selected. At this point, the council will also have a more detailed road map for delivering LGR and a clearer understanding of how this impacts on existing corporate risks and strategic priorities.
- 8.5 The updated Corporate Risk Register found in Appendix A.

Risk Summary

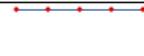
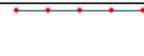
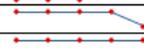
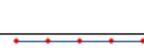
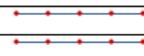
Reference	Category	Corporate Plan Alignment Area	Risk Description	Risk Scoring			Lead
				Inherent	Residual	Target Date	
R001	Strategic	Sustainable	Delivering against the key challenges in the Sustainable section of the Corporate Plan and making progress towards a Net Zero Carbon City	16	12	Apr-30	Strategic Director for Place
R002	Strategic	People	Delivering against the key challenges in the People section of the Corporate Plan and making progress towards a Healthy and Active City	12	6	Jun-26	Strategic Director, People & Communities and Strategic Director for Place
R003	Strategic	A Well Run Council	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)	9	6	Mar-28	Strategic Director, People & Communities
R004	Strategic	A Well Run Council	Maintaining the Financial Sustainability of the Council	16	9	Mar-27	Strategic Director Corporate Resources
R005	Strategic	A Well Run Council	Maintaining the Council's Property and Infrastructure Assets	16	9	Ongoing	Strategic Director Operations and Strategic Director Corporate Resources
R006	Strategic	Homes	Delivering against the key challenges in the Homes section of the Corporate Plan; Housing and Building Great Neighbourhoods and Communities	16	16	Ongoing	Strategic Director for Place
R007	Strategic	People	Maintaining a thriving Culture and Heritage sector	9	2	Dec-26	Strategic Director for Place
R008	Strategic	Economy	Delivering against the key challenges in the Economy section of the Corporate Plan	12	9	Mar-27	Strategic Director for Place
R009	Strategic	A Well Run Council	Progressing the design and delivery of a corporate Customer and Digital Strategy	16	8	Mar-28	Strategic Director for People and Communities

Risk Heatmap



- | | |
|------|---|
| R001 | Net Zero Carbon City |
| R002 | Healthy and Active City |
| R003 | Leading a Well-run Council |
| R004 | Leading a Well-run Council |
| R005 | Leading a Well-run Council |
| R006 | Housing and Building Great Neighbourhoods |
| R007 | Thriving Culture and Heritage |
| R008 | Prosperous Local Economy |
| R009 | Leading a Well-run Council |

Residual Risk Trend Analysis

Risk Reference	Risk Description	Trending
R001	Delivering against the key challenges in the Sustainable section of the Corporate Plan and making progress towards a Net Zero Carbon City	
R002	Delivering against the key challenges in the People section of the Corporate Plan and making progress towards a Healthy and Active City	
R003	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)	
R004	Maintaining the Financial Sustainability of the Council	
R005	Maintaining the Council's Property and Infrastructure Assets	
R006	Delivering against the key challenges in the Homes section of the Corporate Plan; Housing and Building Great Neighbourhoods and Communities	
R007	Maintaining a thriving Culture and Heritage sector	
R008	Delivering against the key challenges in the Economy section of the Corporate Plan	
R009	Progressing the design and delivery of a corporate Customer and Digital Strategy	

9. How does the decision contribute to the Council's Corporate Plan?

9.1 This decision helps to ensure the delivery of the council's purpose 'Well Run Council'.

10. What risks are there and how can they be reduced?

10.1 Any risks should be captured in either this document or the service risk registers.

11. EQUALITY ACT 2010

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because the report is for information only.

12. CARBON FOOTPRINT (ENVIRONMENTAL) IMPLICATIONS:

- 12.1 No direct carbon/environmental impacts arising from the recommendations.
- 12.2 Actions to mitigate the risks identified in the Corporate Risk Register may result in some future impact, however, any actions proposed would be subject to a specific report and the impacts would be considered in that report.

13. ARE THERE ANY OTHER OPTIONS?

13.1 N/A

Strategic Director of Corporate Resources, Dave Hodgson

Author: Lorraine Betts, Executive Office Manager

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:

Democratic Services (Committees)

Room 4.36

01392 265275

Review: **NEW**

Reference	Category	Corporate Plan Alignment Area	Risk Description	Risk Scoring			Lead
				Inherent	Residual	Target Date	
R001	Strategic	Sustainable	Delivering against the key challenges in the Sustainable section of the Corporate Plan and making progress towards a Net Zero Carbon City	16	12	Apr-30	Strategic Director for Place
R002	Strategic	People	Delivering against the key challenges in the People section of the Corporate Plan and making progress towards a Healthy and Active City	12	6	Jun-26	Strategic Director, People & Communities and Strategic Director for Place
R003	Strategic	A Well Run Council	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)	9	6	Mar-28	Strategic Director, People & Communities
R004	Strategic	A Well Run Council	Maintaining the Financial Sustainability of the Council	16	9	Mar-27	Strategic Director Corporate Resources
R005	Strategic	A Well Run Council	Maintaining the Council's Property and Infrastructure Assets	16	9	Ongoing	Strategic Director Operations and Strategic Director Corporate Resources
R006	Strategic	Homes	Delivering against the key challenges in the Homes section of the Corporate Plan; Housing and Building Great Neighbourhoods and Communities	16	16	Ongoing	Strategic Director for Place
R007	Strategic	People	Maintaining a thriving Culture and Heritage sector	9	2	Dec-26	Strategic Director for Place
R008	Strategic	Economy	Delivering against the key challenges in the Economy section of the Corporate Plan	12	9	Mar-27	Strategic Director for Place
R009	Strategic	A Well Run Council	Progressing the design and delivery of a corporate Customer and Digital Strategy	16	8	Mar-28	Strategic Director for People and Communities

Internal				External							Risk Appetite Rating
Resources				Risk Drivers for Appetite							
Time	Financial	People	Assets	Political	Financial	Reputational	Regulatory	Legal	Compliance	Community	
High	High	High	High	Very High	Low	Very High	Very Low	Very Low	Low	High	Cautious (M)
Medium	Medium	High	High	Very High	Low	Very High	Low	Low	Low	High	Open to Risk (H)
Medium	High	Low	Very Low	Very High	Very High	Very High	Medium	Medium	Medium	Very High	Open to Risk (H)
High	Low	High	Very Low	Very High	Very High	Very High	Very High	Very High	Very High	Very High	Cautious (M)
Very High	Very High	High	Very High	Medium	Very High	High	High	Very High	Very High	Very High	Cautious (M)
Very High	High	Medium	Low	Very High	High	Very High	High	High	High	Very High	Open to Risk (H)
Medium	High	High	Medium	High	High	Medium	High	Low	Low	Medium	Cautious (M)
Low	Low	Low	Low	Very High	Very High	High	Medium	Low	Low	Very High	Open to Risk (H)
High	High	High	High	Medium	High	Medium	Medium	Low	Low	Medium	Open to Risk (H)

							Review Month:			March 2026	
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
R001	Delivering against the key challenges in the Sustainable section of the Corporate Plan and making progress towards a Net Zero Carbon City										
	<p>Challenges:</p> <ul style="list-style-type: none"> Greenhouse gas (GHG) emissions have trended slightly down over the past four years. Overall, GHG emissions have reduced by 39% (-300 kt CO2e) since 2008. This is mainly attributable to the power sector, which has seen a 69% reduction in emissions through the national decarbonisation of electricity production. A linear decline in emissions from the projected 2024 value to zero in 2030 requires an annual reduction of 74 kt CO2e, 16% of 2022 emissions, for each of the six years to 2030. This amount is 7.4 times the reduction rate of the current trend. (From Exeter's Greenhouse Gas Inventory Reporting 2022). Achieving the 2030 target relies on collective action from businesses and organisations across Exeter as well as from citizens (residents, commuters and visitors) alongside funding and investment from central government and other public/private bodies Limited resources available for city wide net zero activity. Cost of living challenges (for both businesses and residents) impacting the speed of change <p>Potential Impacts:</p> <ul style="list-style-type: none"> Exeter does not meet its citywide target of becoming Net Zero. 										
Page 96	November 2019 Updated June 2025	Strategic Director for Place	4	4	16	<p>A Climate and Nature Group has been established as part of The Exeter Partnership, bringing together representatives from organisations, businesses and community groups to work collaboratively together to deliver the Exeter Net Zero 2030 Plan. This group meets quarterly, and the June meeting focused on sustainable travel as transport emissions were the source of 23% of Exeter's greenhouse gas emissions in 2022.</p> <p>As part of the University of Exeter Civic University Agreement Exeter, sustainability leads are working collaboratively together with a focus on active and sustainable travel exploring joint opportunities and activities.</p> <p>Exeter City Council is an active member of the Devon Climate Emergency coalition.</p> <p>The council is working with partners to apply for the Nature Towns and Cities Accreditation. A survey has been recently published which will contribute to this work.</p> <p>The Newtown Active Travel scheme is due to start on site in March 2026.</p>	3	4	12	<p>March 2026: A report is due to go to Strategic Scrutiny Committee in March 2026 which summarises the progress that has been made in delivery against the council's 'Net Zero Carbon City' strategic objective.</p> <p>Exeter has continued its steady decline towards Net Zero, with total GHG emissions in Exeter for 2023 reducing by an estimated 8% (by 38.0 ktCO2e to 436.3 ktCO2e) from 2022 A final decision on the disposal of Grace Road Field will be made once the 1Energy planning application on the build of the proposed Energy Centre has been determined.</p> <p>The council has worked in partnership to deliver a project to promote connection between Exeter Train Stations and the Exeter Green Circle.</p>	Apr-30
	R002	Delivering against the key challenges in the People section of the Corporate Plan and making progress towards a Healthy and Active City									
	<p>Challenges:</p> <ul style="list-style-type: none"> Entrenched health inequalities in priority neighbourhoods. Cost of living crisis impacting on the ability of people to participate in paid for sport and physical activity including membership/fees at council leisure centres. Securing long term funding for Wellbeing Exeter with its proven ability to positively enable sustainable increases in physical activity amongst communities facing the biggest barriers and poorest health outcomes. Rising energy, maintenance and staffing costs of leisure centres. Achieving a balance between membership and running costs of leisure centres to achieve the Council ambition of providing a high-quality leisure service accessible and relevant to individuals and families on low incomes and culturally diverse communities. Delivering planned financial and operational outcomes of St Sidwell's Point Swimming Pool and Leisure Centre. Securing capital and revenue funding for the plan to create a Community Health and Wellbeing Hub at Wonford. <p>Potential Impacts</p> <ul style="list-style-type: none"> Inability to achieve the strategic ambition of maintaining high-quality, city-wide, cost neutral built leisure facilities. Increasing subsidies for leisure services impacting on other service provision. Closure of some leisure centres reducing access to facilities for current users. Wellbeing Exeter closes and systemic asset-based community development across priority neighbourhoods ends, and vulnerable communities feel let down by the council. 										

			Review Month:						March 2026		
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
	May 2023	Strategic Director, People & Communities and Strategic Director for Place	4	3	12	Wellbeing Exeter Case for Change published in 2023 with a more targeted and flexible model. Funding secured for Wellbeing Exeter 25/26 through a combination of Sport England Grant and ECC Neighbourhood CIL funding. Successful implementation of new operating model for leisure reducing management and staffing costs resulting in reduction of deficit(subsidy) to @ £1.2m Reports seeking funding to support Wonford Health and Wellbeing Hub and King George V Playing Fields due to go to Extraordinary Council on 24 March 2026. Work underway to understand the results of the latest Active Lives Survey and how this can inform priorities and service delivery.	3	2	6	March 2026. The current mitigations and controls summarise the current position with this risk.	Jun-26

			Review Month:						March 2026		
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
R003	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)										
	<p>Challenges: AI, robotics and digitisation technologies require acquisition of new knowledge, skills and competencies and with an aging workforce whose demographics is not reflective of the diversity of the city's population; some national shortages of some professional roles and a growing trend to more remote and hybrid working the council needs a new approach to workforce development, recruitment and retention.</p> <p>Local Government Reorganisation - capacity to deliver the programme could be impacted if the council is unable to retain skilled employees.</p> <p>Potential Impacts: •Workforce and service delivery models not meeting the needs of customers leading to poor outcomes and inefficient, unaffordable services. •High levels of agency and consultancy spending. •Low staff morale and poor recruitment and retention •Loss of reputation of the Council</p>										
	August 2024 June 2025 no change	Strategic Director, People & Communities	3	3	9	Market supplement scheme in place Apprenticeship opportunities for new and existing staff Senior Leadership restructure created new Strategic Director for People EDI training and development programme is being implemented. Improved management information to enable effective performance monitoring on a wide range of people data, mandatory training and team and staff performance. A workforce development strategy underpinned by a skills audit and analysis to enable succession planning and future recruitment, retention and training strategies. LGR Programme Office has been established. Head of HR will sit within the Programme Office to ensure that staff are supported throughout the transition and that succession and retention strategies are in place.	2	3	6	March 2026. This risk has been updated to reflect Local Government Reorganisation and the capacity to deliver. This risk will be subject to a full review during the next quarter when the council is clearer on the level of work and resources that will be required to deliver LGR	Mar-28

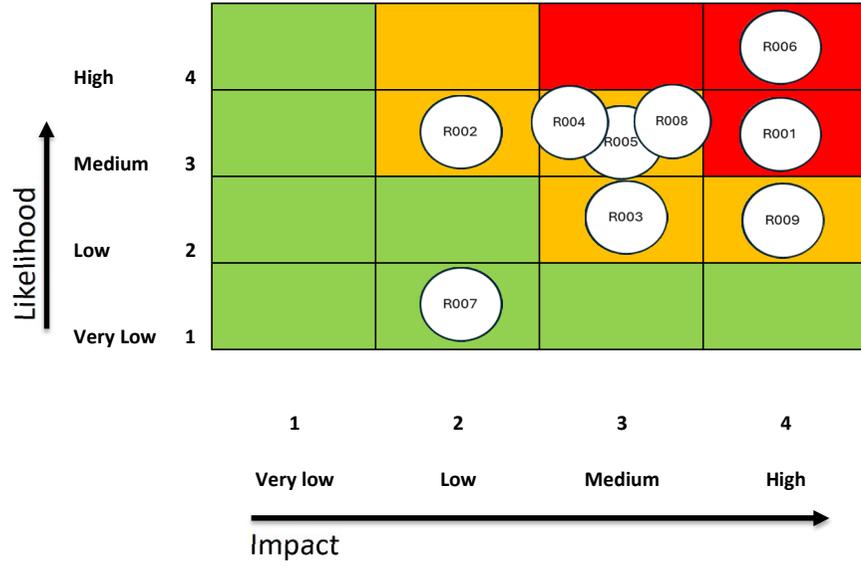
			Review Month:			March 2026					
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
R004	Maintaining the Financial Sustainability of the Council										
	<p>Challenges:</p> <ul style="list-style-type: none"> - Inability to deliver £6.7m savings target over four year period (to 2028-29); - Inability to obtain and maintain Business Rates income at levels currently generated; - Policy, regulatory or legislative changes which are not fully funded from central govt; - Impact of high inflation, high interest rates and other external economic factors; - Potential for Local Government Finance redistribution (including a reset of Business Rates); <p>Potential Impacts:</p> <ul style="list-style-type: none"> - Significant reductions required to Statutory Services, which become unable to function legally; - Unable to balance budget, Government intervention required; - Larger than anticipated reductions (in year or over longer term). - Reduction in reserves below minimum level; - Impacts on council services and therefore resident outcomes. 										
	January 2018 Updated June 2025	Strategic Director Corporate Resources	4	4	16	The council has agreed a balanced budget for 2026/27. Although savings will need to be found in 2027/28, the current level of risk in achieving this is reduced.	3	3	9	March 2026 2026-27 balanced budget has been set. The risk score has been reduced in response to this. This position will be kept under review, whilst the council continues to understand the impact of LGR.	Mar-27

					Review Month:			March 2026			
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
R005 Maintaining the Council's Property and Infrastructure Assets											
<p>Challenges:</p> <ul style="list-style-type: none"> • Council owns 100 operational properties and 600 Commercial Properties as well as 28 Bridges, 50 Parks, 90 Play Areas Footpaths, Highways, walls and a River, Canal and other watercourses • Shortages of materials and labour causing delay and increased costs across the capital programme • Interest Rate rises causing the cost of borrowing to rise significantly • Additional Borrowing adds pressure to the financial stability of the Council. <p>Potential impacts:</p> <ul style="list-style-type: none"> • Increased costs to Council • Sheer number of assets extremely high for a District Council, potential to cause significant financial harm • Delay in all projects, predominantly the condition survey projects and HRA programme, leading to prolonged periods of buildings being below the standard the Council is aiming for. 											
	August 2021 Updated June 2025	Strategic Director Operations and Strategic Director Corporate Resources	4	4	16	<ul style="list-style-type: none"> •Consider Programme of Asset rationalisation, where maintenance costs are uneconomic; •Identify alternative sources of funding to reduce reliance on borrowing; •Commercial Properties mainly let on a full repairing lease basis •Reviewed existing capital programme to defer and remove schemes. •Change of emphasis to internally borrow in the short term to offset interest rate rises. A Capital Programme Board has been established. 	3	3	9	<p>March 2026: The two property maintenance teams have now been merged under one Head of Service. This will allow a review of resources to take place and the sharing of good practice.</p> <p>Significant review of assets condition being undertaken and a review of both Asset Management Plans will take place (GF & HRA). Stock condition surveys have commenced which will report into the Asset Management Plan which is currently being scoped. A review of compliance for all corporate buildings (non HRA) is continuing and a compliance dashboard is now in place for all Council buildings and allows for immediate monitoring of gas, electrical, legionella, asbestos, lift and fire compliance.</p> <p>New approaches to GF Maintenance being explored including detailed viability assessments and new contract procurement is underway.</p> <p>Head of Commercial Assets appointed and prioritising proposals to dispose of some costly, uneconomic properties.</p>	Ongoing

						Review Month:			March 2026		
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
R006	Delivering against the key challenges in the Homes section of the Corporate Plan; Housing and Building Great Neighbourhoods and Communities										
	<p>Challenges:</p> <ul style="list-style-type: none"> - brownfield first approach is the most sustainable option, and aligns with government policy but most sites are currently unviable, and developers are unwilling to invest, resulting in sites being stalled - inadequate infrastructure funding for brownfield land regeneration - lack of specialist staff resources to support the work - inability to address complex land assembly and infrastructure challenges - significant abnormal costs associated with this type of programme - low land/property values and lack of investment appetite (especially BTR sector) - Significant local community opposition to development <p>Potential impacts:</p> <ul style="list-style-type: none"> - significant loss of income to fund services/infrastructure (CIL; S106; NHB; Council Tax; Business Rates) and inability to secure external funding from government - increased traffic congestion and net-zero not achieved by 2030 - Exeter Plan found unsound resulting in city housing needs not being met and exacerbating the Devon Housing Crisis, especially in terms of affordable housing; lack of 5-year housing supply resulting in loss of planning control/sub-optimal development and loss of green space/special characteristics of Exeter. - new neighbourhoods not created, existing communities become unbalanced and suffer from lack of infrastructure/services, and economy of the city is stalled - active travel and accessible city aspirations not met - unsustainable development and new homes do not meet Garden City principles - housing built on greenfield sites 										
	November 2021 June 2025 No change	Strategic Director for Place	4	4	16	Access to government funding programmes (Brownfield Land Release Fund; Garden Communities; One Public Estate; New Development Corporations Competition Fund) is supporting Liveable Exeter and Council Owned Building projects - Project management capacity brought in - Preparation of business cases, feasibility studies, development frameworks for strategic sites (E.g. Marsh Barton, Southgate, Water Lane, red Cow & City Point) - Acquiring land and property using CPO powers and dispose of land to enable infrastructure. - Use of CIL and S106 funding to support infrastructure provision. - Through the Exeter Design Quality Partnership adopt an enabling and collaborative culture with developers and landowners, instilling confidence in the planning process. - Enhanced Member Training to improve quality of decision making in planning. - Exeter Place Partnership established to bring together the city's institutions to take ownership of the city vision and aspirations and to work collectively on obstacles to delivery.	4	4	16	March 2026. The City Council continues to promote design excellence and neighbourhood integration through the Liveable Exeter Placemaking Charter and Exeter Design Quality Partnership, with consistent use of design review for major schemes. As part of the Exeter Partnership, the council is part of a Housing Theme Group that is made up of key partners from across the city. Viability challenges continue to affect the delivery of affordable housing, as evidenced by recent committee decisions. These are being managed through the use of updated appraisals and professional viability review.	On going

						Review Month:			March 2026		
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
R007	Maintaining a thriving Culture and Heritage sector										
	<p>Potential Causes:</p> <ul style="list-style-type: none"> A need to balance cultural ambition with the national funding picture and local financial challenges A need to support Visit Exeter as a vital mechanism for promotion of events, business and cultural offer. <p>Ensuring culture is relevant to all of Exeter's communities</p> <p>Potential Impacts:</p> <ul style="list-style-type: none"> Loss of NPO funding Loss of wider impact of cultural regeneration of the city. Inability to support night time economy Inability to support cultural sector Inability to deliver services including RAMM, Corn Exchange, Red Coats, Custom House, Underground Passages, Box Office Non-renewal of UNESCO status Reputational impact locally, nationally and internationally 										
Page 102	May 2023 Updated June 2025	Strategic Director for Place	3	3	9	<p>Strong relationship with Arts Council England and stakeholders.</p> <p>New five-year Cultural Strategy being developed with tangible deliveries.</p> <p>Significant cultural assets owned and run by the cultural sector.</p> <p>UNESCO City of Literature status awarded and monitored.</p> <p>Funding agreed with ACE until 2026 with Exeter's National Portfolio Organisations</p> <p>The council has submitted an Expression of Interest to become the next City of Culture</p>	1	2	2	<p>March 2026: A review of Cultural Services has been completed. A draft Cultural Strategy is being developed and consultation will begin after the elections. Funding is now agreed until 2027 (extension year has been granted, 2026-27). Additional NPO extension year now offered for 2027-28, application being developed. The Historic Places Panel (HPP) visited Exeter in September 2024 and published a comprehensive review in January 2025. The HPP will be returning to Exeter to receive an update on progress in April 2026. The report recognises the city's strong heritage base and offers recommendations to support heritage-led regeneration and cultural placemaking. City Development continues to support these aims through engagement with Historic England, particularly regarding the future of key strategic sites and the management of city wall heritage. Officers are liaising with the Director of Place to ensure that emerging cultural strategy work reflects the recommendations of the HPP, including promoting Exeter's UNESCO City of Literature status. Conservation efforts are supported by a dedicated conservation officer and recent heritage impact work associated with the Exeter Plan.</p>	Dec-26
R008	Delivering against the key challenges in the Economy section of the Corporate Plan										
	<p>Key challenges:</p> <ul style="list-style-type: none"> Retention and recruitment, with some difficult-to-fill vacancies, which is stifling business growth. A rise in residents becoming economically inactive, particularly those in the 50+ age groups. Matching the learning and skills opportunities for residents with current and future job opportunities. Low levels of graduate retention from the University of Exeter. Levels of aspiration amongst our young people and limited awareness of opportunities. If there is an unsuccessful InExeter BID vote November 2024, its impact on the city centre business community. Following previous budget reductions and the discretionary services review implemented in April 2023, there is no longer an economic development service or skills function. There are no officer resource or budget to progress this corporate priority. <p>Potential Impacts:</p> <ul style="list-style-type: none"> Exeter's economic base is weakened. A rise in Universal Credit claimants Residents of Exeter. A slowdown of businesses opening up and surviving in Exeter. Vacancy rates in the city centre increase. The look and feel of the city centre declines. 										

						Review Month:			March 2026		
Ref	Date Risk Identified	Risk Owner	Inherent Risk			Mitigations & Controls	Residual Risk			Tracking notes and monitoring	Target Implementation Date
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
	May 2023	Strategic Director for Place	3	4	12	Community Safety Team has now been made permanent as well as expanded to cover the rest of the city. Work is underway to develop a new City Centre Vison, Strategy and Action Plan. After engagement with the business community, City Council and Devon County Council Councillors, and taking into account the outcome of the 2025 residents survey, a number of priorities have been developed that focus on safety, cleanliness, homes and in providing a vibrant offer for residents, students and visitors to the city centre. To support the city centre, a new Cultural Strategy is also in development. Both documents are due to go out to public consultation early summer.	3	3	9	March 2026. Mitigations and Controls have been updated to reflect latest position.	Mar-27
R009 Progressing the design and delivery of a corporate Customer and Digital Strategy											
<p>Challenges:</p> <ul style="list-style-type: none"> •Digital technology continues to change the way people live, connect and work and this shift has been expedited by the Covid-19 pandemic. Digital technology continues to evolve at a rapid pace and for many have become an essential part of everyday life. •People expect easy access to joined-up information and efficient, secure services in the palm of our hand; increasingly expecting to interact with organisations wherever they like, whenever they like, on whichever device they have and on whatever channel they choose. •With customer behaviour changing faster than ever, the task of digital transformation demands significant changes to people, processes and technology. Our key challenges are the pace and scale of transformation needed in business processes; functional and organisational structures; culture; skills and resources within the Council and within and between Strata and our partner councils. •We are currently lagging many other Councils in our development of digital services and how we engage with our customers to improve and develop them. <p>Local Government Reorganisation will require the council to compile a number of data sets to help ensure a smooth transition to the new authorities. Work will also be required to ensure that centralised systems are in place and available to use on Vesting Day.</p> <p>Potential Impacts:</p> <ul style="list-style-type: none"> •Failure to agree and implement the required level of organisational change will impact on the ability of the Council to deliver a balanced MTFP which requires transformational change in how services are delivered. •Workforce and service delivery models not meeting the needs of customers leading to poor outcomes and inefficient, unaffordable services. •High levels of agency and consultancy spending. •Low staff morale and poor recruitment and retention •Loss of reputation of the Council <p>April 2024: New risk: Cyber Security: There is increased global concern about the use of AI and emerging technologies for malign purposes. Whilst there are no specific new threats nationally or regionally in relation to Local Government and we have no specific concerns about current systems and processes, Strata Directors have requested the company to undertake a risk awareness and management workshop with the Directors of all 3 Councils to provide assurances that there is sufficient capability and capacity to understand and mitigate risks and respond should a "never event" occur. This process is due to complete in October 2024 and until this process has been completed and assurances /action plans adopted this issue will remain on the Corporate Risk Register.</p>											
	May 2023	Strategic Director for People and Communities	4	4	16	Improved control of ICT Business Change Requests resulting in better use of valuable Strata resources. Customer Digital Strategy approved by Council in November 2023 sets clear direction around 10 outcome goals. June 2024 successful implementation and roll out of Microsoft 365 and the uses of Teams for improved communication and collaboration. New member SharePoint site has been designed and delivered. Plans are in place to roll out Sharepoint to all services.	2	4	8	March 2026: Work is underway to understand the work and resources that will be required to successfully deliver LGR. The prioritisation and implementation of the council's Digital Customer Strategy will be critical to this.	Mar-28



KEY

Number	Name	Score
R001	Net Zero Carbon City	12
R002	Healthy and Active City	6
R003	Leading a Well-run Council	6
R004	Leading a Well-run Council	9
R005	Leading a Well-run Council	9
R006	Housing and Building Great Neighbourhoods	16
R007	Thriving Culture and Heritage	2
R008	Prosperous Local Economy	9
R009	Leading a Well-run Council	8

RISK SCORING



Corporate Risk Register

Likelihood ↑

4	4	8	12	16
3	3	6	9	12
2	2	4	6	8
1	1	2	3	4
	1	2	3	4

Impact →

Residual Risk Trends

Risk Reference	Risk Description	Trending	Residual - Sep 24	Residual - Nov 24	Residual - Feb 25	Residual - Jun 25	Residual - Feb 26
R001	Delivering against the key challenges in the Sustainable section of the Corporate Plan and making progress towards a Net Zero Carbon City		16	16	16	12	12
R002	Delivering against the key challenges in the People section of the Corporate Plan and making progress towards a Healthy and Active City		6	6	6	6	6
R003	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)		6	6	6	6	6
R004	Maintaining the Financial Sustainability of the Council		8	8	8	12	9
R005	Maintaining the Council's Property and Infrastructure Assets		12	12	12	12	9
R006	Delivering against the key challenges in the Homes section of the Corporate Plan; Housing and Building Great Neighbourhoods and Communities		16	16	16	16	16
R007	Maintaining a thriving Culture and Heritage sector		2	2	2	2	2
R008	Delivering against the key challenges in the Economy section of the Corporate Plan		9	9	9	9	9
R009	Progressing the design and delivery of a corporate Customer and Digital Strategy		8	8	8	8	8
R010							0

All Risks Historic Data

Risk Reference	Risk Description	Inherent - Sep 24	Residual - Sep 24	Inherent - Nov 24	Residual - Nov 24	Inherent - Feb 25	Residual - Feb 25	Inherent - Jun 25	Residual - Jun 25	Inherent - Feb 26	Residual - Feb 26
R001	Delivering against the key challenges in the Sustainable section of the Corporate Plan and making progress towards a Net Zero Carbon City	16	16	16	16	16	16	16	16	16	12
R002	Delivering against the key challenges in the People section of the Corporate Plan and making progress towards a Healthy and Active City	12	6	12	6	12	6	12	6	12	6
R003	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)	9	6	9	6	9	6	9	6	9	6
R004	Maintaining the Financial Sustainability of the Council	16	8	16	8	16	8	16	8	16	9
R005	Maintaining the Council's Property and Infrastructure Assets	16	12	16	12	16	12	16	12	16	9
R006	Delivering against the key challenges in the Homes section of the Corporate Plan; Housing and Building Great Neighbourhoods and Communities	16	16	16	16	16	16	16	16	16	16
R007	Maintaining a thriving Culture and Heritage sector	9	2	9	2	9	2	9	2	9	2
R008	Delivering against the key challenges in the Economy section of the Corporate Plan	12	9	12	9	12	9	12	9	12	9
R009	Progressing the design and delivery of a corporate Customer and Digital Strategy	16	8	16	8	16	8	16	8	16	8
R010	Risk Description	0	0	0	0	0	0	0	0	0	0

REPORT TO AUDIT & GOVERNANCE COMMITTEE

Date of Meeting: 26 March 2026

Report of: Strategic Director for Corporate Resources

Title: Appointment of Independent Persons

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To consider the appointment of Independent Persons to comply with the duty under the provisions of section 28 of the Localism Act 2011.

2. Recommendations:

2.1 That Audit & Governance note that Council approved the appointment of Mr Steven Frank and Mr Les Bright as Independent Persons.

3. Reasons for the recommendation:

3.1 To comply with the Council's statutory duty under the provisions of section 28 of the Localism Act 2011 (the Act).

4. What are the resource implications including non-financial resources:

4.1 the sum of £50 be paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year) be retained

5. Section 151 Officer comments:

5.1 There are no financial implications contained in this report.

6. What are the legal aspects?

6.1 The Council is required to appoint at least one independent person in accordance with the provisions of section 28 of the Localism Act 2011.

6.2 Section 27 of the Act states that '[a] relevant authority must promote and maintain high standards of conduct by members...of the authority'. In order to promote and maintain high standards of conduct, the authority is required to adopt a Code of Conduct in accordance with section 28 of the Act. The Council's Code of Conduct for Members and Co-Opted Members is included in the Council's Constitution. In considering and investigating complaints against members, the authority is required to appoint at least one independent person. The views of the Independent Person are to be 'sought and taken into account' in relation to complaints against Members.

For enquiries please contact: democratic.services@exeter.gov.uk

7. Monitoring Officer's comments:

7.1 Members will note the role of Independent Persons in relation to complaints against members and their statutory role under the Localism Act 2011.

8. Equality Act 2010 (The Act)

8.1 A full EQIA has not been carried out as this decision regards the approval of the appointment of the two individuals named above, following formal recruitment process.

It may be that in future applications are encouraged from under-represented groups at the recruitment stage.

9. Carbon Footprint (Environmental) Implications:

9.1 No direct carbon/environmental impacts arising from the recommendations.

10. Report details:

10.1 Section 28 of the Localism Act 2011("the Act") places a statutory duty on all local authorities to promote and maintain high standards of conduct amongst elected and co-opted members.

10.2 The term of the current Independent Persons ends on 26 February 2026 therefore a recruitment process was entered into in autumn 2025.

10.3 In order to comply with the provisions of section 28(7) of the Act there is a continuing obligation for the appointment of at least one Independent Person whose views are to be sought in the event of an investigation pertaining to the Members' Code of Conduct.

10.4 An advertisement for the vacancies was placed online in November 2025 and applications were received. After shortlisting four candidates were interviewed and it is of note that the calibre of applications was extremely high.

10.5 The recruitment pack used can be found at Appendix A, containing details of the role as well as the selection criteria which are set out below:

- be over 18 years of age
- have a commitment to public service
- have personal integrity and a strong commitment to upholding high standards
- be independent and impartial
- be able to critically assess written and oral evidence to reach balanced and objective decisions
- possess tact, diplomacy and good communication skills
- demonstrate excellent listening, problem solving and evaluation skills
- be reliable and committed
- be someone who lives or works locally.

11. How does the decision contribute to the Council's Corporate Plan?

11.1 The duty to maintain at least one Independent Person contributes to a Well-Run Council by ensuring that the Council complies with its statutory obligation.

For enquiries please contact: democratic.services@exeter.gov.uk

12. What risks are there and how can they be reduced?

12.1 Failure to appoint at least one Independent Person would put the Council in contravention of section 28 of the Act and could prejudice any investigation of complaint made against Members.

13. Are there any other options?

13.1 No other options have been identified.

Director: Strategic Director for Corporate Resources

Author: Democratic Services Manager

Local Government (Access to Information) Act 1972 (as amended)

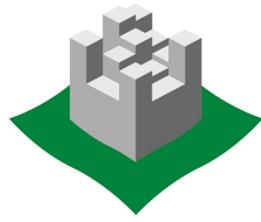
Background papers used in compiling this report:

None

List of Appendices:

- Appendix A: General Information – Independent Person (Application Pack)
- Appendix B: Knowledge Skills and Experience

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Exeter
City Council

RECRUITMENT PACK
APPOINTMENT OF INDEPENDENT PERSON

GENERAL INFORMATION FOR APPLICANTS

Exeter City Council invites applications from members of the public to serve as an Independent Person. The person(s) appointed to the role would support the Council's arrangements for dealing with any complaints that an elected or co-opted Members of the City Council may have breached their Council's Member Code of Conduct. The Panel at Exeter City Council consists of two Independent Persons.

Section 28 of the Localism Act 2011 placed a duty on all local authorities to promote and maintain high standards of conduct amongst Elected Members and Co-opted Members. This included the appointment of at least one Independent Person to help discharge its duty to promote and maintain high standards of conduct and having in place a process for dealing with complaints made under the Council's Code of Conduct. The Act says that a Council must seek the views of the Independent Person(s) at any stage of its investigation or consideration of an allegation before it makes a decision on an allegation that it has decided to investigate.

A decision on the appointment of the Independent Person(s) will be taken at a meeting of Full Council and appointments will be for a four-year term.

Independent Person

The role of the Independent Person will be key to the complaints process in that you may be consulted

- by the Monitoring Officer about any action that they propose to take following receipt of an initial complaint that a Member or co-opted Member has failed to comply with the Council's Code of Conduct;
- before any finding is made as to whether a Member has failed to comply with the Code of Conduct following investigation or a decision is made on action to be taken in respect of that Member; and
- by a Member or co-opted Member of their appointing authority against whom a complaint has been made.

Independent Persons may also be invited to serve on a Panel convened to advise the Council should disciplinary action be proposed in respect of certain designated senior officer posts.

Selection Criteria

The essential qualities/criteria for selection for the position are that you should:

- Be over 18 years of age
- Have a commitment to public service
- Have personal integrity and a strong commitment to upholding high standards
- Be independent and impartial
- Be able critically to assess written and oral evidence to reach balanced and objective decisions
- Possess tact, diplomacy and good communication skills
- Demonstrate excellent listening, problem solving and evaluation skills
- Be reliable and committed
- Be someone who lives or works locally.

It would also be useful to have a working knowledge of how local government operates and an awareness of the role of elected Members.

It is important that you are independent of the Council by whom you are appointed. Pursuant to the Localism Act 2011, therefore, you must not:

- be or have been within the last five years, an elected or co-opted member or an officer of the City Council; or
- be a relative or close friend of a current elected or co-opted member or officer of the City Council.

Restrictions on Appointment

Certain individuals are restricted from applying for this position. It is important that you are independent of the Council by whom you are appointed. Pursuant to the Localism Act 2011, therefore, you must not:

- (a) be or have been within the last five years a member, co-opted member or officer of Exeter City Council ending with the appointment;
- (b) be a relative or close friend of a person in (a) above.
A relative is defined as:
 - (a) the candidate's spouse or civil partner;
 - (b) living with the candidate as husband and wife or as if they were civil partners;
 - (c) The candidate's grandparent;
 - (d) Any person who is a lineal descendent of a grandparent of the candidate;
 - (e) A parent, sibling or child of a person within paragraph (a) or (b);
 - (f) The spouse or civil partner of a person within paragraph (c), (d) or (e);
or
 - (g) living with a person within paragraph (c), (d) or (e) as husband and wife or as if they were civil partners.

Term of Office

The appointment will be for a term of office of four years.

Removal from Office

The Council reserves the right to remove an Independent Person from their post if their independence is in anyway compromised, and/or they bring the reputation of the Council into disrepute.

Remuneration

This is a voluntary role for which a small allowance will be paid. The sum of £50 will be paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year).

Time Commitment

The time commitment will depend on the number of complaints received.

An ability to devote time to the role during the working day and evenings will be required.

Application Process

Information on the criteria and the role the Independent Person will play what skills and experience they will need and an application form.

The Council expects to appoint two Independent Persons.

If you are interested in this role and have any questions about what is involved then please contact the Monitoring Officer, Simon Copper.

Applications should be submitted by Friday 19th December 2025.

Please submit your application form by email or post to:

The Monitoring Officer
Simon Copper
Exeter City Council
Civic Centre, Paris Street
Exeter EX1 1JN
monitoring.officer@exeter.gov.uk

Acknowledgements

Your application will be acknowledged and you will be advised as to whether you have been successful or not in due course.

Selection

Short listing for this appointment will be based upon an assessment of how applicants meet the criteria in the 'Role Specification' as evidenced by the application. It is suggested therefore that you include information on how you meet the criteria. **Those candidates who are shortlisted will be invited for interviews on Monday 12th January 2026. The interviews will be conducted by a Selection Panel, with the appointment confirmed at the meeting of Full Council on 24 February 2026** (at which recommended candidates are not required to attend).

Training

You will receive training on the Council's Code of Conduct and the requirements of the role of Independent Person.

ROLE DESCRIPTION FOR AN INDEPENDENT PERSON

The Council is seeking to appoint at least one Independent Person in accordance with Sections 27 and 28 of the Localism Act 2011. This statutory role is central to ensuring high standards of conduct among elected and co-opted members of the authority.

As an Independent Person, you will:

1. Help the Council in promoting and maintaining high standards of conduct by Elected and Co-opted Members of Exeter City Council
2. Uphold the Code of Conduct adopted by the Council and the seven principles of public office, namely selflessness, honesty, integrity, objectivity, accountability, openness and leadership.
3. Be consulted by the Council through the Monitoring Officer before they make a decision on an investigated allegation that a councillor has breached the Code of Conduct, following investigation.
4. Work closely with the Monitoring Officer and Audit & Governance Committee, considering whether complaints merit investigation or to seek local resolution and advising on outcomes.
5. Be available for consultation by any Elected Member, who is the subject of a standards complaint.
6. Develop a sound understanding of the ethical framework as it operates within Exeter City Council and act as advocate and ambassador for the Council in promoting ethical behaviour.
7. Attend training events to develop skills, knowledge and experience and in networks developed for Independent Persons operating outside the District Council's area.
8. Attend training events organised and promoted by the Council's Audit & Governance Committee.

PERSONAL SPECIFICATION FOR AN INDEPENDENT PERSON

No formal qualifications are required but the skills and competencies the Council will look for, and which you should demonstrate in your application is set out below:

Essential Criteria

1. A broad range of experience in public, private, voluntary or charitable sectors, including self employed employed and voluntary positions.
2. Good analytical skills and the ability to assimilate information quickly and arrive at a balanced judgement.
3. Maintain confidentiality and act with a high level of personal integrity.
4. The ability to be objective, independent and impartial.
5. A commitment to the principles governing the conduct of Members generally and matters of probity and integrity in particular.
6. Possess good communication and interpersonal skills, tact, diplomacy, logical reasoning and impartiality in handling sensitive matters and the ability to co-operate with officers and Members in a Committee setting.

Desirable Criteria

1. Working knowledge of local government or other aspects of the public service and/or of large, complex organisations.
2. Experience of considering and making judgements on, matters which are similar to allegations of breaches of the Code of Conduct in other contexts.
3. Substantial awareness and understanding of the political process.
4. Knowledge or experience of procedures for meetings.

Please give details of any work-related, professional or academic qualifications, and when and where they were obtained.

Are you:

Employed

Self-employed

Not in paid employment

Retired

Other
(please specify)

Description of employment trade or business, and if employed, the name of your current employer (*if applicable*)

When did you start this occupation?

Have you ever been elected to serve as an Exeter City Councillor or appointed to serve as a co-opted member of the City Council? Please give details:

Have you ever been employed by Exeter City Council?

Are you related to or a close friend of any person who is currently an Exeter City Councillor or who is employed by Exeter City Council?

Describe briefly in the space provided of your background and why you think you have the skills necessary to undertake the role of an Independent Person.

Is there anything in your private life, or in your past, which to your knowledge or that of any member of your family or close friends, if it became generally known, might bring you or the Council into disrepute, or call into question your integrity, authority or standing as an Independent Member?

Have you ever been involved in a dispute with the City Council or have you been involved in a dispute with any other public authority within the last five years? (If yes, please provide details)

Please give the name, address and telephone number of two referees who are not related to you, and who are able to comment on your suitability for appointment. Your referees will be contacted without further notice to you, unless you indicate to the contrary.

REFEREE 1

Title

Name

Address

Telephone Number

Email address

REFEREE 2

Title

Name

Address

Telephone Number

Email address

Declaration

I wish to be considered for appointment as an Independent Person and the information which I have given is true and complete to the best of my knowledge and belief. By signing below I certify that:

- I have not been at any time within the last five years, a member, co-opted member or employee of Exeter City Council.
- I am not a relative or close friend of a current member, co-opted member, or employee of Exeter City Council.
- I am politically neutral.
- I have not been convicted of a criminal offence (not including minor traffic offences) in the last 5 years.
- The information which I have given is true and complete to the best of my knowledge and belief.

Signed**Date**

Please return your completed form either by email or post **by no later than Friday 19th December 2025** to:

Monitoring.officer@exeter.gov.uk

or

Mr Simon Copper
Monitoring Officer
Exeter City Council
Civic Centre
Paris Street
Exeter
EX1 1JN

Please mark your envelope PRIVATE & CONFIDENTIAL

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Independent Persons – Relevant Knowledge, Skills and Experience

Mr Steven Frank

- Broad cross sector experience spanning public, private, voluntary and charitable sectors, including senior roles in audit, fire and rescue services, and a community charity; also held senior voluntary roles in the Scout Association.-sector experience spanning public, private, voluntary and charitable sectors, including senior roles in audit, fire and rescue services, and a community charity; also held senior voluntary roles in the Scout Association.
- Strong analytical skills with a proven ability to quickly assess information and make balanced judgements; led national studies for the Audit Commission and Audit Wales, including work on public sector data maturity and staff productivity.-sector data maturity and staff productivity.
- High integrity and confidentiality, supported by annual independence declarations; extensive experience handling complaints, investigations and disciplinary matters, including data breach investigations as a Data Protection Officer.
- Objective, independent and impartial, demonstrated through resolving Member conflicts in local authorities and fire authorities; politically neutral with experience leading democratic services functions.
- Firm commitment to Member conduct and ethical standards, with detailed knowledge of the English and Welsh Local Government Association conduct models; conducted scrutiny reviews over 25 years.
- Excellent communication and interpersonal skills, using tact, diplomacy and logical reasoning to handle sensitive issues; experienced in interviewing senior officers and council leaders and working effectively in committee settings.
- Experienced investigator with a background handling complex and sensitive complaints, providing clear audit feedback in challenging or contentious environments.

Mr Les Bright

- 50 years of professional training and part-time academic study supporting senior public service roles.
- Extensive background in voluntary and statutory sectors across practitioner and managerial positions.
- Strong skills in group management, chairing meetings, and facilitating participation.
- In depth understanding of the public and voluntary sectors, including care, health services and wider social/public policy.-depth understanding of the public and voluntary sectors, including care, health services and wider social/public policy.

- Effective communicator — experienced public speaker and published writer with strong influencing skills.
- Skilled in policy analysis, investigations, inspections, evaluations and user-focused research.
- Able to work confidently with senior managers, elected members, professionals, volunteers, service users and the public.
- Author or co-author of numerous reports, publications and journal articles, particularly relating to the care and support of older people.

REPORT TO AUDIT AND GOVERNANCE

Date of Meeting: 26 March 2026

REPORT TO COUNCIL

Date of Meeting:

Report of: Strategic Director People and Communities

Title: Amendments to Terms of Reference for the Joint Consultation and Negotiation Committee.

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 This report sets out an additional amendment to the Terms of Reference for the Joint Consultation and Negotiation Committee, previously approved by Audit and Governance Committee in July 2025. The updated Terms of Reference, incorporating a new clause on quorum, are attached as Appendix A.

2. Recommendations:

2.1 That Audit and Governance recommend, and Council approve, the additional amendment to the Council's Constitution terms of reference for the Joint Consultation and Negotiation Committee, specifically the insertion of Section 4. on quorum.

2.2 That Audit and Governance Committee note the continued engagement with recognised Trade Unions in updating and strengthening the Terms of Reference.

3. Reasons for the recommendation:

3.1 To ensure that that Terms of Reference for the Council's constituted committees remain up to date and matches the operational arrangements of the Council.

4. What are the resource implications including non financial resources.

4.1 There are none.

5. Section 151 Officer comments:

5.1 There are no financial implications for Council to consider contained within this report.

6. What are the legal aspects?

6.1 It is important to ensure that committee terms of reference are maintained and updated when required, particularly for Membership and officer titles to undertake the requirements of the Council. The addition of the requirements for the committee to be quorate is intended to strengthen the governance arrangements for the JCNC.

7. Monitoring Officer's comments:

7.1 Where there are changes to the substance of the Terms of Reference of JCNC, then the approval of the recognised Trade Union should also be secured. I understand that the recognised Trade Union has agreed to the proposed changes.

8. Report details:

8.1 The Industrial Relations (IR) Framework at Exeter City Council was reviewed in early 2025 to modernise and strengthen arrangements for employee engagement and consultation. As part of this work, amendments to the JCNC Terms of Reference were approved in July 2025.

8.2 A further amendment is now required to formally incorporate a clause on quorum, to ensure meetings are appropriately constituted and decision-making is robust.

8.3 The following clause has been added to Section 4 of the Terms of Reference:

4. Quorum

A quorum shall consist of two representatives from the Council and one of the trade unions' representatives.

8.4 This addition has been discussed and agreed with UNISON Regional/Branch representatives.

9. How does the decision contribute to the Council's Corporate Plan?

It supports efficient governance and effective employee engagement.

10. What risks are there and how can they be reduced?

There are no risks associated with the proposals.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal, there are no equalities impacts that are identified.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 None

Strategic Director People and Communities, Jo Yelland

Author: Jo Yelland

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report: -

None

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Appendix A. Proposed JCNC Terms of Reference (Reformed)

JCNC - Terms of Reference

1. Purpose and Objectives

The purpose of the Joint Consultation and Negotiation Committee (JCNC) is to provide a formal forum for dialogue, consultation, and negotiation between Senior Management and union representatives on matters that impact the workforce. The objectives of the JCNC are to:

- Promote effective communication and foster a collaborative work environment.
- Ensure that management and union representatives can discuss and negotiate issues related to employment terms, working conditions, and policies.
- Address and resolve potential conflicts in a structured manner.
- Facilitate fair decision-making processes that consider both Exeter City Council objectives and employee interests.

2. Scope

The JCNC will address issues relevant to:

- Employment terms and conditions
- Health, safety, and well-being
- Policy changes that impact employees
- Training and development
- Organisational restructuring or changes in working practices
- Other significant workplace issues as agreed upon by the committee

3. Membership

The JCNC will consist of representatives from both Senior Management and unions (staff)

Senior Management Representatives:

- Five representatives appointed by Exeter City Council

Staff Representatives:

- Three members appointed by UNISON, with a minimum of two of these being employees of Exeter City Council.
- One member appointed by GMB.
- One member appointed by UNITE.

The Leader of the Council will have a standing invitation to attend JCNC meetings

The ratio of Staff Representatives from each of the 3 recognised unions will be reviewed annually to ensure these ratios reflect the union membership of the staff in the Council.

Substitutes: there will be two named substitutes for each side, to be decided at the same time as the main committee members. Management side representatives will always be at Senior Management level. The members of the JCNC shall retire annually but shall be eligible for re-appointment.

- Both management and staff side shall have power at any time to remove any of their representatives and to appoint replacements.
- Chair: A chair and vice chair will be appointed at their first meeting.

- For the first year a member of the management side shall be chair, and a member of the staff side shall be vice-chair and thereafter the position shall be reversed annually.
- Secretary: A designated secretary will maintain meeting records and distribute minutes to all committee members.

4. Quorum

A Quorum shall consist of two representatives from the Council and one of the trade unions' representatives.

5. Frequency of Meetings

The JCNC will meet quarterly, with additional meetings as required which can be called by either management or staff side. Meeting dates and frequency will be set in advance and may be adjusted by mutual agreement.

6. Agenda and Meeting Preparation

- An agenda will be circulated to all members at least one week before the meeting.
- Members may propose items for the agenda, which must be submitted two weeks before the agenda is finalised.
- Relevant documents and reports will be shared with committee members in advance to facilitate informed discussion.

7. Decision-Making and Consensus

Decisions will ideally be made by consensus. Where consensus cannot be reached, decisions may be made by a majority vote, with a clear record of differing opinions. The JCNC is a consultative body; recommendations may be forwarded to the Senior Management Board for final approval as needed.

8. Confidentiality

All JCNC members are expected to maintain confidentiality regarding sensitive or proprietary information discussed in committee meetings. A protocol for the release of information to employees and other stakeholders will be established.

9. Reporting and Communication

The outcomes of JCNC meetings will be documented in minutes, which will be distributed to all members within one week. A summary of agreed-upon actions will be shared with all employees through the Staff Newsletter, and any other appropriate communication channels, as agreed at JCNC.

10. Dispute Resolution

Where agreement cannot be reached within the JCNC, an escalation process will be followed. This may include:

- Mediation by an external party such as Southwest Councils
- Referral to the Senior Management Board

11. Amendments to the Terms of Reference

The Terms of Reference will be reviewed annually to ensure they remain relevant and effective.

Amendments may be proposed by any JCNC member and must be agreed upon by both management and employee representatives.

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REPORT TO AUDIT AND GOVERNANCE

Date of Meeting: 26 March 2026

Report of: Strategic Director Corporate Resources

Title: Update on the use of investigatory powers and the Regulation of Investigatory Powers Act 2000 Joint Policy and Procedure.

Is this a Key Decision?

No

Is this an Executive or Council Function?

Neither. This report is for consideration by the Council's Audit and governance Committee.

1. What is the report about?

This report provides an update on the application of the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016. The legislation concerns the use by local authorities of covert methods of surveillance and information gathering to assist in the detection and prevention of crime in relation to the Council's functions.

A copy of the Council's policy, 'Regulation of Investigatory Powers Act 2000 Joint Policy and Procedure' (update March 2026) is attached to this report.

The Investigatory Powers Commissioner's Office (IPCO) is responsible for the oversight of covert surveillance by public authorities in the United Kingdom.

2. Recommendations:

2.1 That Members consider this report and note that the powers of surveillance under the Regulation of Investigatory Powers Act 2000 have not been exercised by Exeter City Council for the period 1 April 2024 to 31 March 2025.

3. Reasons for the recommendation:

3.1 To ensure that Members are aware of the Council's policy and the extent to which statutory powers of surveillance have been used by Exeter City Council.

4. What are the resource implications including non financial resources

4.1 There are no resource implications raised by this report.

5. Section 151 Officer comments:

5.1 There are no financial implications contained in this report.

6. What are the legal aspects?

6.1 Members will note the report details set out at paragraph 8 below together with the Council's policy attached to this report.

7. Monitoring Officer's comments:

7.1 The use of covert surveillance methods is a sensitive issue. Its use is strictly regulated in order to uphold the right of individuals concerning respect for their private and family life, home and correspondence as set out in Article 8 of the European Convention on Human Rights and incorporated into domestic law through the Human Rights Act 1998. The legislation concerning powers of covert surveillance is primarily set out in the Regulation of Investigatory Powers Act 2000 which sets out strict criteria which must be satisfied in order for interference with the Article 8 rights to be justified as a matter of law. The use of the statutory powers is carefully supervised and must only be applied in accordance with statutory provisions.

8. Report details:

This report provides an update to Members concerning the Council's use of the powers of covert surveillance under the Regulation of Investigatory Powers Act 2000 (RIPA) for the period 1 April 2024 to 31 March 2025. Members will note that the Council has not exercised these powers for this period.

Members will also note the attached 'Regulation of Investigatory Powers Act 2000 Joint Policy and Procedure'. The policy has been updated and was approved by Audit and Governance Committee on 19 March 2025 to reflect the new appointment to the post of Senior Responsible Officer (Head of Legal & Democratic Services and Monitoring Officer). In addition to the existing Authorising Officer (Legal Services Manager) an additional Authorising Officer has been appointed (Team Lead - Housing and Litigation). A Council Officer has now been appointed to the post of RIPA Co-ordinating Officer. The post was previously held by a member of the internal audit team. This came to an end when the internal audit function was transferred to the South West Audit Partnership in 2024.

Local authorities have the power, subject to stringent safeguards, to use powers of directed covert surveillance, Covert Human Intelligence Sources and to intercept communications data.

The provisions of the European Convention on Human Rights were incorporated into domestic law by the Human Rights Act 1998 which incorporated the Convention rights from October 2000.

Members will note the protection afforded by Article 8(1) of the European Convention on Human Rights that '[e]veryone has the right to respect for his private and family life, his home and his correspondence'. This is a qualified and not an absolute right. Article 8(2) provides the following qualification to Article 8(1):

'There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others'.

In order to comply with Article 8 of the Convention, the Regulation of Investigatory Powers Act 2000 (RIPA 2000) and subsequently the Investigatory Powers Act 2016 were

established to govern the use of directed surveillance, the use of covert human intelligence sources (CHIS) and the interception of communications by public bodies, including local authorities, in the UK.

The use of such powers is regulated by statute so that such actions must be authorised by a statutorily authorised person. The use of covert directed surveillance can only take place provided authorisation is secured. This is a robust two-stage process. Initially, the authorisation must be granted by a designated Authorising Officer within the Council. The Authorising Officer must be satisfied that the surveillance is necessary for the purposes of preventing or detecting crime and that the surveillance is proportionate to what is sought to be achieved by carrying it out. Additionally, local authorities are only able to authorise directed surveillance for the purpose of preventing or detecting conduct which would constitute an offence punishable whether on summary conviction or indictment by a maximum term of at least six months imprisonment. The authorisation must specify the nature of the surveillance and the circumstances under which it will be conducted. Once the internal authorisation is obtained, the local authority must seek judicial approval. This requires the presentation of the authorisation to a magistrate who will review the application to ensure it meets the requisite legal requirements. The magistrate must be satisfied that the surveillance is necessary and proportionate, and that it meets the seriousness threshold, which generally requires that the crime being investigated is punishable by a maximum term of at least six months imprisonment. The process ensures that the use of covert directed surveillance by local authorities is subject to stringent oversight with the aim of safeguarding the Article 8 rights of individuals.

The provisions related to CHIS concern the use of individuals who establish or maintain personal relationships for the covert purpose of obtaining information. Similar grounds are set out in RIPA concerning the use of CHIS. The authorisation of the use of CHIS must be necessary for the purpose of preventing and detecting crime and that the authorised conduct or use must be proportionate to what is sought to be achieved by that conduct and use. Arrangements for managing and controlling the CHIS must also be in place.

The Investigatory Powers Act 2016 (IPA 2016) has largely replaced RIPA 2000 in areas such as the interception and acquisition of communications data. IPA 2016 provides the statutory basis for the acquisition of communications data.

The Investigatory Powers Commissioner plays a central role in authorising the interception or release of communications data to local authorities under the IPA 2016. The Commissioner can grant authorisations to obtain communications data if it is deemed necessary and proportionate for specific purposes, such as preventing or detecting crime. In practice, the Office for Communications Data Authorisations (OCDA) handles these applications on behalf of the Commissioner. The OCDA plays a central role in overseeing and granting authorisations for obtaining communications data. The OCDA handles requests from public authorities (and law enforcement agencies) for access to communications data. It is responsible for ensuring that the requests meet the necessary and proportionate criteria. The Investigatory Powers Commissioner may authorise the acquisition of communications data if it is necessary for purposes such as national security, preventing or detecting serious crime, or public safety. The National Anti-Fraud Network (NAFN) acts as a 'gatekeeper' for

local authorities seeking to acquire communications data. Local authorities must access the OCDA via the NAFN, which provides advice and ensures compliance with the legal requirements. Specifically, local authorities do not authorise their own applications. This process is designed to ensure that the acquisition of communications data is conducted lawfully and proportionality, and with the statutory oversight of the Investigatory Powers Commissioner.

The Investigatory Powers Commissioner's Office has oversight functions in relation to covert surveillance, covert human intelligence sources and the use of acquisition and use of communications data, including auditing, inspecting, and investigating the exercise of statutory functions by public authorities. This ensures compliance with legal requirements and safeguards to protect privacy in accordance with the Article 8 convention right set out above.

9. How does the decision contribute to the Council's Corporate Plan?

The updates in this report contribute to the corporate objective of 'leading a well-run Council' by providing a policy on investigatory powers and controlling the use of covert surveillance and other forms of investigatory powers and having a policy to control these activities. This ensures that the Council complies with the strategic priority of upholding good governance.

10. What risks are there and how can they be reduced?

The purpose of the policy is designed to give effect to legislation safeguarding privacy rights of individuals. By complying with the policy, the risk of non-compliance with the legislation is reduced.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on individuals with protected characteristics as determined by the Act because the policy applies equally to all individuals.

12. Carbon Footprint (Environmental) Implications:

12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

13.1 No. In order to comply with the statutory provisions, it is necessary to have a policy in place and to report to Members on the use of surveillance powers

Director: Dave Hodgson (Strategic Director for Corporate Resources and Section 151 Officer)

Author: Simon Copper (Head of Service - Legal and Democratic Services & Monitoring Officer)

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:

None

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Regulation of Investigatory Powers Act 2000

Joint Policy and Procedure

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Introduction

The Regulation of Investigatory Powers Act 2000 (RIPA) means that formal authorisation from a senior officer must be obtained before carrying out certain surveillance, monitoring and other evidence-gathering activities. The Council may not carry out any other types of surveillance at all.

It is important to remember that RIPA must always be complied with, regardless of whether the information obtained is to be used as evidence in court proceedings. Failure to comply with RIPA doesn't just mean that the evidence cannot be used in court; it means that the whole procedure is illegal and that the officers concerned do not benefit from the above protection.

1. What is this document for and why is it needed?

1.1 Councils' are allowed and required to carry out investigations in relation to their duties. Such investigations may require surveillance or information gathering of a covert nature.

1.2 **Article 8** of the European Convention on Human Rights provides:

Article 8.1: Everyone has the right to respect for his private and family life, his home and his correspondence.

Article 8.2: There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society:

- In the interests of national security,
- Public safety or the economic well-being of the country,
- For the prevention of disorder or crime,
- For the protection of health or morals, or for the protection of rights and freedoms of others.

1.3 This right is not absolute, it is a qualified right. This means that in certain circumstances the Council *may* interfere with the right if the interference is:

- in accordance with the law
- necessary, and
- proportionate

1.4 Covert Surveillance and information gathering may constitute an interference with the right to respect for private and family life. To ensure that such an action is not unlawful under the Human Rights Act 1998, the Council needs to meet the requirements of the Regulation of Investigatory Powers Act 2000 (RIPA).

1.5 In simple terms, RIPA requires the Council to have in place procedures to ensure that when required, surveillance is necessary and is properly authorised. Surveillance is usually a last resort that an investigator will use to prove or disprove an allegation. RIPA sets out a statutory mechanism for authorising covert surveillance and the use of covert human intelligence sources (see below). RIPA seeks to ensure that any interference with an individual's rights under Article 8 is necessary and proportionate and that, therefore, there is a balance between public interest and an individual's human rights. Covert surveillance will only be undertaken where there is no reasonable and effective alternative means of achieving the desired objective.

2. What is meant by necessary?

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- 2.1 It is essential to consider whether an investigation requiring surveillance or information gathering can be done overtly rather than covertly. What would the result be if you carried out the investigation overtly?
- 2.2 If an investigation can be reasonably carried out by any means other than by using covert surveillance, then the use of covert surveillance is not necessary.
- 2.3 It must then be considered whether it is necessary to conduct covert surveillance or use covert human intelligence sources in the circumstances of the particular case for the purpose of preventing or detecting crime where the offence is punishable by imprisonment of a term of six months or more.

3. What is meant by proportionate?

- 3.1 Proportionality is a key concept of RIPA. Any authorisation to carry out surveillance should demonstrate how an Authorising Officer has reached the conclusion that the activity is proportionate to what it seeks to achieve; including an explanation of the reasons why the method, tactic or technique proposed is not disproportionate (i.e. 'a sledgehammer to crack a nut'). Proportionality is not only about balancing the effectiveness of covert methods over overt methods but of explaining why the particular covert method, technique or tactic is the least intrusive. It is insufficient to make a simple assertion or to say that the 'seriousness' of the crime justifies any or every method available. This critical judgment can only properly be reached once all other aspects of an authorisation have been fully considered.

You should make clear that the following elements of proportionality have been fully considered:

- balancing the size and scope of the operation against the gravity and extent of the perceived mischief
- explaining how and why the methods to be adopted will cause the least possible intrusion on the target and others
- that the activity is an appropriate use of the legislation and the only reasonable way, having considered all others, of obtaining the necessary result, and
- providing evidence of other methods considered and why they were not implemented

The Authorising Officer should set out, in their own words, why they believe (RIPA) the activity is necessary and proportionate. Simply saying it is necessary is insufficient.

- 3.2 The use of surveillance must be designed to do no more than meet the objective in question; it must not be unfair or arbitrary, and the impact on the individual (or group of people) concerned must not be too severe. In deciding whether the use or action is proportionate, the risk of intrusion into the privacy of persons other than those who are the object of the investigation must be considered, and the measures proposed to minimise such intrusion must be properly assessed. You must be satisfied that, on balance, the principle of the subject's right to privacy is outweighed by the purpose of the investigation. Clearly, the more serious the matter being investigated, the more likely that surveillance will be proportionate.
- 3.3 The proportionality test will also require you to consider whether there are any other appropriate means of obtaining the information and whether there is a risk of collateral intrusion. The least intrusive method will be proportionate. Some of the things you may also wish to consider in terms of proportionality are whether covert surveillance is the only option, what other options have been considered, the intended length of the investigation, the number of officers to be deployed in the investigation.

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- 3.4 The activity will not be proportionate if it is excessive in the circumstances of the case or if the information which is sought could reasonably be obtained by other less intrusive means.

4. What is covered by the Regulation of Investigatory Powers Act 2000?

- 4.1 The main purpose of the Regulation of Investigatory Powers Act 2000 is to ensure that the relevant investigatory powers are used in accordance with human rights. The Act sets out these powers in more detail. Part II of the Act sets out the powers available to local authorities.
- 4.2 The Council is able to carry out investigations using covert surveillance and/or by using a covert human intelligence source under RIPA following the formal authorisation procedures and codes of practice as set out in this document. RIPA applies to the Council's core functions.
- 4.3 Please ask the RIPA Co-ordinating Officer for advice if you are unsure as to whether RIPA will apply.
- 4.4 RIPA not only covers the surveillance of members of the public but could also cover the observation of staff and members as part of an internal investigation.

5. Why do we need to follow these rules?

- 5.1 Following the requirements of RIPA and acting in accordance with this Policy, will protect the Council against potential challenges to its decisions and procedures. Not following the procedures specified in this document could also lead to a complaint of maladministration or a complaint to the independent Tribunal set up under RIPA, details of which are to be found at the end of this document.
- 5.2 The Council is also regularly inspected by a representative of the Investigatory Powers Commissioner's Office (IPCO) to ensure that all relevant legislation is complied with.

6. What is the relevant legislation?

- The Regulation of Investigatory Powers Act 2000
 - The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010
 - Protection of Freedom Act 2012
 - Investigatory Powers Act 2016 (initiated the oversight role of the Investigatory Powers Commissioner)
- 6.1 Authorisation may only be granted if it is necessary for the reason permitted by RIPA. For local authorities the only statutory reason is **for the purposes of preventing or detecting a criminal offence where that offence is punishable (whether on summary or indictment) by a minimum term of at least 6 months imprisonment.**

- 6.2 This means that directed surveillance cannot be used for minor offences.

7. What is the Council's Policy on RIPA?

- 7.1 This document is the Council's policy on RIPA. As such, it should be adhered to unless it is in conflict with either of the Government Codes of Practice which have been made under RIPA. The Codes of Practice are admissible as evidence in court and **must** be complied with.
- 7.2 Copies of the Codes of Practice are available on the [Home Office website](#): These are:

[Type here]

- Covert Surveillance Code Of Practice
- Covert Human Intelligence Sources Code Of Practice

8. When will this document be reviewed?

8.1 This document shall be subject to review every two years. An earlier review may take place should circumstances in the law so require it. Minor amendments may be made by the Monitoring Officer from time to time.

9. Who is responsible for reviewing this document and the use of RIPA?

9.1 The Council's **Audit and Governance Committee** is responsible for the overview of the RIPA policy and the Councils' use of RIPA. The Committee will not be involved in making decisions on specific authorisations.

9.2 The RIPA Co-ordinating Officer is responsible for the RIPA Policy, the Central Register of authorisations, and for making regular reports on the use of RIPA to the Councils Audit and Governance Committee.

10. How do I find out more?

10.1 General guidance on RIPA may be found on the [Home Office website](#):

10.2 Please contact the Council's Monitoring Officer if you require any further advice on RIPA, this document or any of the related legislative provisions.

Surveillance

11. What is Surveillance?

11.1 “Surveillance” includes

- monitoring, observing, listening to persons, watching or following their movements, listening to their conversations and other such activities or communications
- recording anything mentioned above in the course of authorised surveillance
- surveillance, by or with, the assistance of appropriate surveillance device(s)
- the interception of a communication in the course of its transmission by means of a postal service or telecommunication system if it is one sent by, or intended for, a person who has consented to the interception of the communication.

11.2 Surveillance can be overt or covert.

11.3 Overt Surveillance

Overt Surveillance is that which is not covert, the definition of which follows in section 12.1.

Overt surveillance does **not** require authorisation under RIPA.

12. What is Covert Surveillance?

12.1 “Covert Surveillance” means surveillance which 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.

Covert surveillance does require authorisation under RIPA.

12.2 RIPA regulates two types of covert surveillance:

- Directed Surveillance, and
- Intrusive Surveillance;

12.3 RIPA also regulates the use of Covert Human Intelligence Sources (see section 13)

12.4 Directed Surveillance

Directed surveillance is defined as surveillance which is:

- covert,
- not intrusive (see definition below)
- undertaken for the purposes of a specific investigation or specific operation;
- carried out in such a manner as is likely to result in the obtaining of private information about a person (whether or not that person is the target of the investigation or operation); and
- undertaken in a planned manner, and not as an immediate response to events or circumstances.

12.5 Use of the internet and social networking sites may potentially fall within the definition of covert directed surveillance. This is likely to result in the breaching of an individual’s Article 8 rights under the Human Rights Act (the right to privacy).

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12.6 The Chief Surveillance Commissioner has made specific reference to the increasing use of Social networking sites as a method of gathering intelligence and has stated in the Annual report:

‘Although there remains a significant debate as to how anything made publically available in this medium can be considered private, my commissioners remain of the view that the repeat viewing of individual ‘open source’ sites for the purpose of intelligence gathering and data collation should be considered within the context of the protection that RIPA affords to such activity.

There is a fine line between general observation, systematic observation and research and it is unwise to rely on a perception of a person’s reasonable expectations or their ability to control their personal data.’

12.7 The Council’s policy in relation to the use of social media for the gathering of evidence to assist in its enforcement activities is set out below:

- officers must not ‘friend’ individuals on social networks or set up fake profiles
- officers should not use their own private accounts to view the social networking accounts of other individuals
- officers viewing an individual’s profile on a social networking site should do so only once in order to obtain evidence to support refute their investigation
- further viewing of open profiles on social networking sites to gather evidence or to monitor an individual’s status, must only take place once RIPA authorization has been granted and approved by a Magistrate
- officers should be aware that it may not be possible to verify the accuracy of information on social networking sites and, if such information is to be used as evidence, steps must be taken to ensure its validity.

12.8 **Intrusive surveillance**

Intrusive surveillance is surveillance of any activities on any **residential premises** or in any private vehicle by a person (other than a Covert Human Intelligence Source) on those premises or in that vehicle or is carried out by means of a surveillance device on the premises or in the vehicle or which provides information of the same quality and details as if it was on the premises or in the vehicle

12.9 However, directed surveillance authorisation may be granted for parts of residential premises, such as gardens or driveways which can be observed from the public highway. Further guidance on this point may be obtained from the Council’s Monitoring Officer.

12.10 It is important to get this right because:

COUNCIL OFFICERS CANNOT CARRY OUT INTRUSIVE SURVEILLANCE

12.11 **Interference with property**

Under RIPA, local authorities can not authorise any ‘interference with property’ activities. However, it may be necessary to conduct a minor trespass in order to conduct the covert surveillance which may have a civil liability implication for the Council. It is important that if such matters are considered appropriate legal advice is taken beforehand.

13. What are Covert Human Intelligence Sources?

13.1 The term Covert Human Intelligence Sources (CHIS) is used to describe people who are more commonly known as informants or officers working “undercover”.

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13.2 This does not include members of the public who volunteer information to the Council as part of their normal civic duties or to contact numbers set up to receive information.

13.3 A person is a CHIS if he/she:

- establishes or maintains a covert personal or other relationship for the purposes of:
- obtaining information; or
- providing access to information to another person; or
- discloses information obtained by the use or existence of that covert relationship

13.4 RIPA authorisation is required for using a CHIS.

13.5 There are special rules for using juvenile or vulnerable persons as a CHIS, and only the Chief Executive can authorise such surveillance.

13.6 Further advice should be sought from the Council's Monitoring Officer in such cases.

14. How can I obtain communications data?

14.1 Local authorities can carry out interception of communications in a restricted number of circumstances.

These are:

14.2 In the course of normal business practice

The Councils are permitted without authorisation under RIPA to lawfully intercept its employees' e-mail or telephone communications and monitor their internet access for the purposes of prevention or detection of crime or the detection of unauthorised use of these systems.

The Councils' policies on use of the internet and e-mail are set out on the Council's intranet.

14.3 Interception with the consent of both parties.

Such interception does not require RIPA authorisation, but should be properly recorded.

14.4 Interception with the consent of only one of the parties.

Such interception would require RIPA authorisation because it would fall within the definition of surveillance (either directed or using a CHIS). The main type of interception envisaged here is the recording of telephone calls where either the caller or the receiver has given consent to the recording.

Where as part of an already authorised Directed Surveillance or use of a CHIS a telephone conversation is to be recorded by the Officer or the CHIS then no special or additional authorisation is required.

14.5 Interception without the consent of either of the parties

The recording of telephone calls between two parties when neither party is aware of the recording **CANNOT BE UNDERTAKEN**, except under a Warrant granted by the Secretary of State under Part 1 of RIPA. Such warrants are only granted by the Secretary of State and it is not envisaged that such activity would fall within the remit of local authority investigations.

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Procedures

15. What is the procedure for obtaining authorisation under RIPA?

15.1 Directed surveillance and the use of a CHIS can only be lawfully carried out if properly authorised, and in strict accordance with the terms of the authorisation.

15.2 All directed surveillance and use of a CHIS operations shall be:

- Applied for in writing
- Authorised by a magistrates court
- Monitored
- Renewed by a magistrates court (when necessary)
- Cease when no longer authorised

15.3 All the above actions will be carried out in accordance with this document and the relevant Codes of Practice and will be recorded on the Standard Forms listed below:

15.4 The Standard Forms are available from the [Home Office web-site](#).

15.5 Directed Surveillance

- Application for directed surveillance authorisation
- Review of directed surveillance authorisation
- Application for cancellation of directed surveillance authorisation
- Application for renewal of directed surveillance authorisation

15.6 Use of a Source

- Application for conduct-use of a CHIS authorisation
- Review of use of a CHIS authorisation
- Application for renewal of use of a CHIS authorisation
- Application for cancellation of conduct-use of a CHIS authorisation

15.7 Copies of all these documents will be retained and kept on the investigation file as part of the evidence to show that the information gained by directed surveillance or the use of a CHIS has been obtained legally.

15.8 This document provides guidance on the Procedures required to be undertaken by the Investigating Officer and the Authorising Officer for the different stages specified above.

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The Senior Responsible Officer's Duties

16. Who is the Senior Responsible Officer?

16.1 The Councils' Senior Responsible Officer is listed in the annex to this document.

17. What are my duties?

In accordance with the recommendations of the Codes of Practice, you are responsible for the following areas:-

- The integrity of the process in place within the Council for the management of Covert Human Intelligence Sources and Directed Surveillance.
- Annual retrospective quality assurance review of all RIPA investigations undertaken
- Compliance with Part II of RIPA and the Codes of Practice.
- Oversight of the reporting of errors to the relevant oversight Commissioner and the identification of both the cause(s) of errors and the implementation of processes to minimise repetition of errors.
- Engagement with the OSC inspectors when they conduct their inspections.
- Oversight of the implementation of any post-inspection action plan approved by the relevant oversight Commissioner.
- Ensuring that all Authorising Officers are of an appropriate standard in light of any recommendations in the inspection reports by the Office of the Surveillance Commissioner.

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The Investigating Officer's Duties under RIPA.

The Application

The application for authorisation is the responsibility of the Investigating Officer.

18. What do I need to do?

18.1 You will need to consider:

- Whether covert surveillance is needed.
- Whether directed surveillance or use of a CHIS is needed.
- Whether directed surveillance or use of a CHIS is necessary for statutory reasons.
- Whether directed surveillance or use of a CHIS is proportionate.
- The risk of collateral intrusion.
- Safety and welfare arrangements (use of Source only).

These are discussed in more detail below.

19. What do I need to consider?

19.1 Whether covert surveillance is needed

Consideration must be given as to whether covert surveillance is needed. You are advised to discuss the need to undertake directed surveillance or the use of a CHIS with your line manager before seeking authorisation. All options for the use of overt means **must** be fully explored. Remember: if the investigation can be carried out by overt means, then covert surveillance is not necessary.

19.2 Whether directed surveillance or use of a CHIS is needed

You must establish which type of "surveillance" is required for the investigation or operation having regard to the guidance contained in this document. The type of surveillance you require affects which application forms you need to complete. Additional considerations are needed for using a CHIS. Further detail is found below. Combined authorisations for both directed surveillance and the use of a CHIS may be applied for where appropriate.

Remember that sometimes the use of 'Social Media' may amount to a directed surveillance. If you are thinking of doing this, then please contact the Council's Monitoring officer for advice as to whether you require a RIPA authorisation.

19.3 Whether directed surveillance or use of a CHIS is necessary for the statutory reason

Authorisation may only be granted if it is necessary for the reason permitted by RIPA.

For local authorities the only statutory reason is **for the purposes of preventing or detecting a criminal offence where that offence is punishable (whether on summary or indictment) by a minimum term of at least 6 months imprisonment.**

You must set out this ground in your application form and provide details of the reasons why it is necessary to use covert surveillance.

19.4 Whether directed surveillance or use of a CHIS is proportionate

You must consider why it is proportionate to use covert methods to collect evidence. Please see the definitions set out on page 2 "what is proportionate?" Remember, the use of covert

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methods must do no more than meet your objective. The proportionality test will also require you to consider whether there are any other appropriate means of obtaining the information and whether there is a risk of collateral intrusion (see consideration below). The least intrusive method will be proportionate. The following aspects of proportionality must be considered and evidenced:-

- (a) Balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence
- (b) Explaining how and why the methods to be adopted will cause the least possible intrusion on the target and others
- (c) Considering whether the activity is an appropriate use of the legislation and a reasonable way, having considered all reasonable alternatives, of obtaining the necessary result
- (d) Evidencing, as far as reasonably practicable, what other methods have been considered and why these were not implemented.

19.5 The risk of collateral intrusion

Collateral intrusion is the risk of intrusion into the privacy of persons other than the target. You are required to assess the risk of collateral intrusion. Details of any potential collateral intrusion should be specified. Measures must be taken wherever practicable to avoid or minimise collateral intrusion and a plan should be included in your application specifying how the potential for collateral intrusions will be minimised. You should give as much detail as possible, insufficient information may lead to the rejection of the application.

19.6 Surveillance from private premises

It is preferable for surveillance to be carried out from a public place, such as a public highway. However, there may be circumstances where private premises may be required for the carrying out of surveillance. In which case, it is essential that you obtain the consent of the owner and/or occupier of the premises prior to authorisation being sought.

You should seek further guidance from the Council's Monitoring Officer on this point.

19.7 Safety and welfare arrangements – use of a CHIS

Before authorising the use of a CHIS you must ensure that a risk assessment is carried out to determine the risks to the CHIS of any tasking and the likely consequences should the role of the CHIS become known. The ongoing safety and welfare of the CHIS, after the cancellation of the authorization, should also be considered at the outset.

Details must also be included setting out the arrangements for the safety of the CHIS, this should include:

- (a) The name of the Officer who has day to day responsibility for:
 - Dealing with the CHIS.
 - Directing the day to day activities of the CHIS.
 - Recording the information supplied by the CHIS.
 - The CHIS's security and welfare.
- (b) The name of the Officer responsible for recording and monitoring the use made of the CHIS.
- (c) Arrangements for ensuring the security of the records which identify the CHIS.
- (d) Records relating to the CHIS meet the requirements of the Statutory Instrument: The Regulation of Investigatory Powers (Source Records) Regulations 2000

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(SI 2000 No. 2725) – please see either the [Home Office website](#) or the [Office of Public Sector Information website](#).

20. How do I apply?

20.1 All applications must be made in writing on the standard forms provided by the Home Office.

20.2 The relevant forms are:

- An application for directed surveillance authorisation, and/or
- An application for use of a CHIS.

20.3 The considerations set out above, form part of the application form.

20.4 The application form must be fully completed and passed to the Authorising Officer. The annex to this document contains details of the Council's Authorising Officers.

NB. All authorisations and renewals must have the prior approval of the Magistrates' before they take effect.

21. What if authorisation is urgent?

21.1 The 2012 Home Office Guidance states that in most emergency situations where the police have power to act, then they are able to authorise activity under RIPA without prior JP approval. Therefore local councils may need to work with the police if faced with an emergency.

NB. Urgent authorisation may not be necessary if, under section 26(2) of the Act, an officer suddenly sees something relevant to his duties and takes an immediate note, observation of follow-up activity (within reason).

Monitoring

22. How long will an authorisation last for?

22.1 The authorisation for Directed Surveillance will last for **three months** from the date of authorisation unless renewed.

22.2 The authorisation for use of a CHIS will last for **12 months** from the date of authorisation (i.e. date of Magistrates' Order) unless renewed.

22.3 Review dates for the authorisation will be set by the Authorising Officer.

23. I now have my authority for surveillance, what else I should be aware of?

23.1 It will be the responsibility of the Investigating Officer to ensure that any Directed Surveillance or use of a CHIS is only undertaken under an appropriate and valid authorisation. It is also important for you to ensure that those undertaking the surveillance have read the authorization and understand exactly what has been authorised.

23.2 During the surveillance, you should ensure:

- Surveillance is carried out in accordance with the approval
- Collateral intrusion is minimised as far as possible
- Intrusive surveillance is not carried out
- All information obtained is recorded contemporaneously or as soon as possible thereafter

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23.3 During the use of a CHIS, you should also ensure that the CHIS is aware that:

- Only the tasks authorised are carried out
- Third party collateral intrusion is minimised as far as possible
- Intrusive surveillance is not carried out
- Entrapment is not committed
- They must regularly report to you

23.4 You should also be mindful of the date when authorisations and renewals will cease to have effect. Please see the notes on Renewals and Cancellation below.

24. What do I do if circumstances change during the investigation?

24.1 You must inform the Authorising Officer if the investigation unexpectedly interferes with the privacy of individuals who are not covered by the authorisation or if there is another change in circumstances usually brought about by unforeseen action.

24.2 When the original authorisation may not be sufficient, consideration should be given to whether the authorisation needs to be amended and re-authorised (for minor amendments only) or whether it should be cancelled and a new authorisation obtained. The relevant forms should be used.

24.3 Particular care should be taken when using a CHIS to ensure that authorisation is sufficient. It is difficult to predict what might occur each time a meeting with a CHIS takes place. If unforeseen action takes place, the occurrence should be recorded as soon as possible after the event and the sufficiency of the authorisation must be considered.

24.4 You must bring to the attention of the Authorising Officer any concerns about the personal circumstances of the CHIS in relation to: the validity of the risk assessment; the conduct of the CHIS; the safety and welfare of the CHIS.

Renewals

25. Why are renewals important?

25.1 Surveillance must cease unless a renewal has been applied for and approved. Renewals must be authorised prior to the expiry of the original authorisation but will run from the date and time of expiry of the original authorisation.

26. What should I do?

26.1 If it appears that the directed surveillance or use of a CHIS is needed beyond the authorisation date, you must seek a renewal of the authorisation.

26.2 You must consider whether covert methods are still necessary and proportionate.

26.3 An application for renewal for either Directed Surveillance and/or use of CHIS should be made on the relevant form provided by the Home Office at www.homeoffice.gov.uk and passed to the Authorising Officer for consideration.

NB. All authorisations and renewals must have the prior approval of the Magistrates' before they take effect.

Cancellations

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27. Why are cancellations important?

27.1 All authorisations, including renewals, must be cancelled if the reason why Directed Surveillance or use of a CHIS was required no longer exists or is no longer proportionate. This will occur in most instances when the purpose for which surveillance was required has been achieved and officers must be mindful of the need to cancel any authorisation which has been issued. A cancellation should be issued at the expiry date if not before.

28. How do I cancel an authorisation?

28.1 To cancel an authorisation, you should complete the Cancellation of Authorisation form provided by the Home Office at www.homeoffice.gov.uk and submit it to the Authorising Officer for endorsement.

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Authorising Officer Responsibilities under RIPA

The Approval

29. Who are the Authorising Officers?

- 29.1 The Council's Authorising Officers are listed in the annex to this document.
- 29.2 If the investigation may involve the acquisition of confidential or religious material, or require an authorisation for using juveniles or vulnerable persons as sources, the Authorising Officer is, by law, the Chief Executive (or in his absence the Deputy Chief Executive).
- 29.3 Authorising Officers should not be responsible for authorising investigations or operations in which they are directly involved. If this is the case, the application form for authorisation should be noted to this effect.

NB. All authorisations and renewals must have the prior approval of the Magistrates' before they take effect.

30. What are my responsibilities?

- 30.1 Responsibility for authorising the carrying out of directed surveillance or using a CHIS rests with the Authorising Officer and requires the personal authority of the Authorising Officer.
- 30.2 You must be satisfied that a defensible case can be made for surveillance. Authorisation is a safeguard against the abuse of power by public authorities. Full consideration of necessity and proportionality will make the action less vulnerable to challenge under the Human Rights Act 1998.

31. What do I need to consider?

- 31.1 You are required to consider the application for authorisation in relation to the following:

Is the directed surveillance or use of a CHIS necessary?

- 31.2 **Firstly**, you must consider whether it is necessary to carry out the investigation by covert methods. This is an important consideration and must be recorded on the form. Please see "what is meant by necessary?" on Pages 1 and 2 of the Policy.
- 31.3 **Secondly**, as authorisation may only be granted if it is necessary for the reason permitted by RIPA. You should consider, having regard to the outline of the case provided by the Investigating Officer, whether authorisation is necessary for the purposes of preventing and detecting crime or of preventing disorder

Is the directed surveillance or use of a CHIS proportionate?

- 31.4 This involves balancing the intrusiveness of the activity on the target and others who may be affected by it (see "consideration: risk of collateral intrusion" below) against the need for the activity in operational terms. Please refer to "what is proportionate?" on page 2 of this Policy.

Consideration: The risk of collateral intrusion

- 31.5 You must take into account the risk of interfering with the privacy of persons other than the target (collateral intrusion). Full details of potential collateral intrusion and the steps to be taken to minimise such intrusion must be included in the form. If there are insufficient details further information should be sought. Collateral intrusion forms part of the proportionality test

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and is therefore very important. Remember: the least intrusive method should be chosen otherwise the surveillance activity will not be proportionate.

Consideration: confidential material

- 31.6 In cases where through the use of directed surveillance or the use of a CHIS it is likely that knowledge of confidential information will be acquired, authorisation may only be granted by the Chief Executive.
- 31.7 Confidential information consists of matters subject to legal privilege, confidential personal information or confidential journalistic material.
- 31.8 Authorisation involving the acquisition of confidential information should only be given in exceptional and compelling circumstances having full regard to the proportionality issues involved.
- 31.9 Further details about the type of information covered under this category are to be found in the Chapter 3 of the relevant Code of Practice. Further advice may be sought from the Council's Monitoring Officer.

Consideration: Safety and welfare arrangements of a CHIS

31.10 When authorising the conduct or use of a CHIS, you must be satisfied:

- That the conduct and/or use of the CHIS is proportionate to what is sought to be achieved;
- That arrangements exist for the management and oversight of the CHIS, particularly the health and safety of the CHIS including:
 - Identifying the person who will have day to day responsibility for dealing with the CHIS
 - Security and welfare arrangements of the CHIS both during and after the investigation/operation.
 - Monitoring and recording the information supplied by the CHIS
 - Ensuring records disclosing the identity of the CHIS will not be made available to persons except where there is a need for access to them
 - Records relating to the CHIS meet the requirements of the Statutory Instrument: The Regulation of Investigatory Powers (Source Records) Regulations 2000 (SI 2000 No. 2725) – please see either the [Home Office website](#) or the [Office of Public Sector Information website](#).

Consideration: local community

31.11 You should consider whether there any particular sensitivities in the local community where surveillance will be taking place.

Having taken all these factors into consideration, you may either authorise the application or refuse it.

32. What do I do if I have refused the application?

32.1 You must complete the form and give your reasons for refusal. Then follow the procedures below (“I have completed the form what do I do with it?”)

33. What do I do if I have approved the application?

33.1 You need to follow the rest of the procedure set out below.

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- 33.2 Regular review should be undertaken to assess the need for surveillance or use of a CHIS to continue and whether it is still proportionate. Where the surveillance or use of a CHIS provides access to confidential information or involves collateral intrusion, review should be more frequent.
- 33.3 You will therefore need to consider a Review Date(s). Both types of authorisation require you to specify a date when the authorisation should be reviewed (the Review Date) and the frequency of the review thereafter. This must be stated on the form.

34. What do I do if the authorisation is urgent?

- 34.1 The 2012 Home Office Guidance states that in most emergency situations where the police have power to act, then they are able to authorise activity under RIPA without prior JP approval. Therefore local councils may need to work with the police if faced with an emergency.

NB. Urgent authorisation may not be necessary if, under section 26(2) of the Act, an officer suddenly sees something relevant to his duties and takes an immediate note, observation of follow-up activity (within reason).

35. What is the procedure for applying for Judicial Approval

- 35.1 Following approval by you as the authorising officer the first stage of the process is for you to contact Her Majesty's Courts and Tribunals Service (HMCTS) administration team at the magistrates' court to arrange a hearing.
- 35.2 You will need to provide the JP with a copy of the original RIPA authorisation or notice and the supporting documents setting out the case. This forms the basis of the application to the JP and should contain all information that is relied upon. For communications data requests the RIPA authorisation or notice may seek to acquire consequential acquisition of specific subscriber information. The necessity and proportionality of acquiring consequential acquisition will be assessed by the JP as part of his consideration
- 35.3 The original RIPA authorisation or notice should be shown to the JP but should be retained by you so that it is available for inspection by the Commissioners' offices and in the event of any legal challenge or investigations by the Investigatory Powers Tribunal (IPT). However, the court may wish to take a copy. In addition, you need to provide the JP with a partially completed judicial application/order form at Annex B.
- 35.3 Although you are required to provide a brief summary of the circumstances of the case on the judicial application form, this is supplementary to and does not replace the need to supply the original RIPA authorisation as well.
- 35.4 The order section of this form will be completed by the JP and will be the official record of the JP's decision. You will need to obtain judicial approval for all initial RIPA authorisations/applications and renewals and you will need to retain a copy of the judicial application/order form after it has been signed by the JP. There is no requirement for the JP to consider either cancellations or internal reviews.

Arranging a Hearing

- 35.5 You will need to contact HMCTS administration as soon as possible to request a hearing. On the rare occasions where out of hours access to a JP is required then it will be for you to make local arrangements with the relevant HMCTS legal staff. In these cases you will need to provide two partially completed judicial application/order forms so that one can be retained by the JP. You should also provide the court with a copy of the signed judicial application/order form the next working day.

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- 35.6 In most emergency situations where the police have power to act, then they are able to authorise activity under RIPA without prior JP approval. No RIPA authority is required in immediate response to events or situations where it is not reasonably practicable to obtain it (for instance when criminal activity is observed during routine duties and officers conceal themselves to observe what is happening).
- 35.7 Where renewals are timetabled to fall outside of court hours, for example during a holiday period, it is your responsibility to ensure that the renewal is completed ahead of the deadline. Out of hours procedures are for emergencies and should not be used because a renewal has not been processed in time.

Attending a Hearing

- 35.8 The hearing is a 'legal proceeding' and therefore local authority officers need to be formally designated to appear, be sworn in and present evidence or provide information as required by the JP.
- 35.9 The hearing will be in private and heard by a single JP who will read and consider the RIPA authorisation or notice and the judicial application/order form. He/she may have questions to clarify points or require additional reassurance on particular matters.
- 35.10 You will want to consider who is best able to answer the JP's questions on the policy and practice of conducting covert operations and detail of the case itself. It is envisaged that the case investigator will be able to fulfil this role. The investigator will know the most about the investigation and will have determined that use of a covert technique is required in order to progress a particular case. You may consider it appropriate for the SPoC (single point of contact) to attend for applications for CD RIPA authorisations or notices. This does not, however, remove or reduce in any way the duty of you as the authorising officer to determine whether the tests of necessity and proportionality have been met. Similarly, it does not remove or reduce the need for the forms and supporting papers that the authorising officer has considered and which are provided to the JP to make the case.
- 35.11 All application for judicial approval should be referred to Legal services who will advise on who should be presenting RIPA cases to JPs under section 223 of the Local Government Act 1972.

Decision

- 35.12 The JP will consider whether he or she is satisfied that at the time the authorisation was granted or renewed or the notice was given or renewed, there were reasonable grounds for believing that the authorisation or notice was necessary and proportionate. They will also consider whether there continues to be reasonable grounds. In addition they must be satisfied that the person who granted the authorisation or gave the notice was an appropriate designated person within the local authority and the authorisation was made in accordance with any applicable legal restrictions, for example that the crime threshold for directed surveillance has been met.
- 35.13 **The forms and supporting papers must by themselves make the case. It is not sufficient for the local authority to provide oral evidence where this is not reflected or supported in the papers provided.** The JP may note on the form any additional information he or she has received during the course of the hearing but information fundamental to the case should not be submitted in this manner.
- 35.14 If more information is required to determine whether the authorisation or notice has met the tests then the JP will refuse the authorisation. If an application is refused you will need to consider whether they can reapply, for example, if there was information to support the application which was available to you, but not included in the papers provided at the hearing.

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35.15 The JP will record his/her decision on the order section of the judicial application/order form. HMCTS administration will retain a copy of the local authority RIPA authorisation or notice and the judicial application/order form. This information will be retained securely.

35.16 The local authority will need to provide a copy of the order to the communications the SPoC (Single Point of Contact) for all CD requests. SPoCs must not acquire the CD requested, either via the CSP or automated systems until the JP has signed the order approving the grant.

Outcomes

35.17 Following their consideration of the case the JP will complete the order section of the judicial application/order form (see form at Annex B) recording their decision. The various outcomes are detailed below:

35.18 The JP may decide to:

- **Approve the Grant or renewal of an authorisation or notice**
The grant or renewal of the RIPA authorisation or notice will then take effect and you may proceed to use the technique in that particular case.
In relation to CD, you will be responsible for providing a copy of the order to the SPoC.
- **Refuse to approve the grant or renewal of an authorisation or notice**
The RIPA authorisation or notice will not take effect and you may not use the technique in that case. Where an application has been refused you may wish to consider the reasons for that refusal. For example, a technical error in the form may be remedied without you going through the internal authorisation process again. You may then wish to reapply for judicial approval once those steps have been taken.
- **Refuse to approve the grant or renewal and quash the authorisation or notice**
This applies where a magistrates' court refuses to approve the grant, giving or renewal of an authorisation or notice and decides to quash the original authorisation or notice.
The court must not exercise its power to quash that authorisation or notice unless the applicant has had at least 2 business days from the date of the refusal in which to make representations.

Complaints/Judicial Review

35.19 There is no complaint route for a judicial decision unless it was made in bad faith. Any complaints should be addressed to the Magistrates' Advisory Committee.

35.20 A local authority may only appeal a JP decision on a point of law by judicial review. If such a concern arises, the local authority should consult their legal advisers.

35.21 The IPT will continue to investigate complaints by individuals about the use of RIPA techniques by public bodies, including local authorities. If, following a complaint to them, the IPT does find fault with a RIPA authorisation or notice it has the power to quash the JP's order which approved the grant or renewal of the authorisation or notice.

36. What do I do with the completed forms?

36.1 You must send the completed application form(s) to the RIPA Co-ordinating Officer as soon as you are able. This includes any forms in which you have refused authorisation. You should retain a copy of the form and send a further copy to the relevant Investigating Officer for retention on the investigation file. The investigation officer should be advised that it is their

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responsibility to ensure that those undertaking the surveillance read the authorization to understand exactly what has been authorised.

Monitoring

37. How long will an authorisation last for?

- 37.1 The authorisation for **Directed Surveillance** will last for **three months** from the date of authorisation unless renewed.
- 37.2 The authorisation for use of a **CHIS** will last for **12 months** from the date of authorisation unless renewed.
- 37.3 It is important to set a review date which gives the opportunity to cancel if the authorisation is no longer required. If the surveillance is still required, set another review date (see below)

38. I have now given the authority for surveillance, what should I do next?

- 38.1 After authorisation the Authorising Officer is responsible for continuing to oversee the progress of the investigation. You must ensure that whatever was authorised does actually happen, and that actions do not exceed the boundaries of the authorisation.
- 38.2 Progress of the investigation or operation should be reviewed in accordance with the review dates set by the authorisation using the relevant review form. In any case, as soon as the investigation or operation objectives have been achieved the authority should be cancelled.
- 38.3 You will regularly monitor the surveillance to ensure:
- Surveillance is being carried out in accordance with the authority given
 - There is still a need for the approved surveillance or use of the CHIS
 - The surveillance is achieving the intended results
 - The risks of collateral intrusion are still minimal
 - The risks associated with the surveillance or use of the CHIS are within an acceptable level
 - The security and/or welfare of the CHIS has not been jeopardised. You must consider any concerns raised by the Investigating Officer relating to the personal circumstances of the CHIS.
- 38.4 You should record the outcome of such monitoring and take whatever action is appropriate.

Renewals

39. Why are renewals important?

- 39.1 Surveillance must cease unless a renewal has been applied for and approved.

NB. All authorisations and renewals must have the prior approval of the Magistrates' before they take effect.

40. What are my responsibilities in respect of renewals?

- 40.1 You may renew an authorisation if it is necessary for the authorisation to continue for the purpose for which it was given.

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40.2 You must consider the application for renewal in relation to the original purpose for which authorisation was granted, taking into account any change in circumstances. You should be satisfied that:

- There is a need to renew the authorisation (applying the test of necessity)
- That such a renewal is likely to contribute to the investigation or operation (it is proportionate to the aim)
- That the information could not be reasonably obtained by other less intrusive means.
- The risk of collateral intrusion is minimal – you should consider what collateral intrusion has occurred
- The risks associated with the use of a CHIS have not increased beyond an acceptable level

40.3 The outcome of a consideration for renewal may lead to:

- Approval
- A new application
- Refusal

Approval

40.4 If you decide to approve a renewal you will need to provide details of why in your opinion you believe the renewal is justified, and state the date and time when the renewed authorisation will commence and expire on the application form.

40.5 The maximum time that renewal of authorisation can be approved for, is three months at a time for directed surveillance and 12 months for the use of a CHIS, but you may consider shorter periods if this is more appropriate to the circumstances.

40.6 You should also set Review Dates and continue to monitor the progress of the investigation or operation.

A new application for authorisation

40.7 Minor amendments can be made by way of review. However, if significant changes are required e.g. if the reason for requiring the authorisation has changed from the purpose for which it was originally granted, then the outstanding authorisation should be cancelled and new authorisation sought by way of a new application. You will need to note the refusal to renew the application on the renewal form setting out the reasons for your decision. You will also need to follow the procedures for cancellation see below and advise the Investigating Officer to seek new authorisation.

Refusal

40.8 If in your opinion surveillance is no longer required, or justified, or proportionate, the renewal should be refused and the authorisation cancelled. See the paragraph on cancellation below. You will need to note on the renewal form your reasons for refusal.

41. What do I do with the completed form?

41.9 You must send the completed renewal form to the RIPA Co-ordinating Officer as soon as you are able. This includes forms where you have refused a renewal. You should retain a copy of the form and send a further copy to the relevant Investigating Officer for retention on the investigation file.

Cancellations

[Type here]

42. Why are cancellations important?

42.1 All authorisations, including renewals, must be cancelled if the reason why directed surveillance or use of a CHIS was required no longer exists or is no longer proportionate. This will occur in most instances when the purpose for which surveillance was required has been achieved and officers must be mindful of the need to cancel any authorisation which has been issued. A cancellation should be issued at the expiry date if not before.

43. What are my responsibilities in respect of cancellations?

43.1 The responsibility to ensure that authorisations are cancelled rests with the Authorising Officer. If you think cancellation should have been applied for, then you should make enquiries of the Investigating Officer as part of your monitoring of the authorisation. On receipt of the cancellation form from the Investigating Officer, you must consider the reasons for cancellation and if acceptable endorse the form.

43.2 As soon as the decision is taken that directed surveillance or use of a CHIS should be discontinued, the instruction must be given to those involved to stop all surveillance of the subject. When cancelling an authorization, an Authorising Officer should:

- record the dates and times (if at all) that surveillance took place and the order to cease the activity was made
- the reason for cancellation
- ensure that surveillance equipment has been removed and returned
- provide directions for the management of the outcomes
- ensure that detail of property interfered with, or person subjected to surveillance, since the last review or renewal are properly recorded
- record the value of surveillance (i.e. whether the objectives as set in the authorization were met

43.3 Where necessary the safety and welfare of the CHIS should continue to be taken into account after the authorisation has been cancelled.

44. What do I do with the completed form?

44.1 You must send the completed renewal form to the RIPA Co-ordinating Officer as soon as you are able. This includes forms where you have refused a renewal. You should retain a copy of the form and send a further copy to the relevant Investigating Officer for retention on the investigation file.

[Type here]

Working with or through other Agencies

45. What do I do if I want to instruct another organisation to carry out surveillance?

45.1 When some other agency has been instructed on behalf of the Council to undertake some action under RIPA, this Document and the forms in it, must be used in the normal way and the agency advised as necessary of the various requirements. They must be made aware explicitly what they are authorised to do.

46. What do I do if I want to carry out an investigation with another organisation?

46.1 It is possible for two public authorities to carry out a joint directed surveillance investigation or use of a CHIS. It must be decided which of the authorities is to take the lead role. The Authorising Officer from the lead organisation must make the decisions on the necessity and proportionality of the surveillance or use of a CHIS. The Investigating Officer must make it clear on the application form that it is a joint investigation and provide details of Officers involved from both authorities.

46.2 Where joint surveillance is authorised by the lead organisation, it is good practice for the Investigation Officer of the other organisation to advise their Authorising Officer of the surveillance activity. It is important for each organisation's Authorising Officer to be aware of all surveillance activity being undertaken by their own Investigating Officers, regardless of which organisation authorised the activity.

Record-Keeping

47. What records must I keep?

47.1 The Council must keep a detailed record of all authorisations, renewals, cancellations and rejections in Departments and a Central Register of all these forms will be maintained and monitored by the RIPA Co-ordinating Officer.

47.2 In all cases, the relevant department should maintain the following documentation:

- a copy of the application and a copy of the authorisation together with any supplementary documentation and notification of the approval given by the Authorising Officer;
- The Magistrates' Order
- a record of the period over which the surveillance has taken place;
- the frequency of reviews prescribed by the Authorising Officer;
- a record of the result of each review of the authorisation;
- a copy of any renewal of an authorisation, together with the supporting documentation submitted when the renewal was requested;
- the date and time when any instruction was given by the Authorising Officer.
- a record of the use made of any CHIS

48. How long must I keep these records?

48.1 The Council will retain records in accordance with the Council's Record Management Policy. Retention of a record will therefore depend on an assessment of the need to retain the record.

49. How should the records relating to a CHIS be maintained?

49.1 Records kept relating to an investigation or operation using a CHIS should be maintained in such a way as to preserve the confidentiality of the CHIS and the information provided by the CHIS.

[Type here]

Material obtained from Directed Surveillance and/or use of a CHIS operations

50. How should material be handled and stored?

- 50.1 Material, or product, such as: written records (including notebook records); video and audio tape; photographs and negatives; and electronic files, obtained under authorisation for Directed Surveillance or use of a CHIS investigations or operations should be handled, stored and disseminated according to the following guidance.
- 50.2 Where material obtained during the course of an investigation may be relevant to pending or future criminal or civil proceedings, it should be retained in accordance with the established disclosure requirements having regard to the Criminal Procedure and Investigations Act 1996 and Civil Procedure Rules.
- 50.3 Where material is obtained which is not related to a criminal or other investigation, or to any person who is the subject of the investigation, and there is no reason to suspect that it will be relevant to any future civil or criminal proceedings, it should be assessed for retention or destruction under the Council's Record Management Policy.

51. What about confidential material?

- 51.1 This is privileged information from, for example, lawyers, doctors, priests etc. Where such persons are involved, and there is a possibility that you maybe obtaining confidential material, then further additional precautions must be taken. If this is the case, please seek appropriate advice from the Monitoring Officer or from the statutory RIPA Code of Practice.

Complaints

52. Is there a complaints procedure in place?

- 52.1 The Regulation of Investigatory Powers Act has established an Independent Tribunal. This Tribunal is made up of senior members of the judiciary and the legal profession and is independent of the Government. The Tribunal has full powers to investigate and decide any cases within its jurisdiction. It also has the power to award compensation.
- 52.2 Details of the relevant complaints procedure can be obtained from the following address:
- Investigatory Powers Tribunal
PO Box 33220
London
SW1H 9ZQ
- 52.3 Other actions that could be taken against the Council for failing to meet the requirements of RIPA are civil proceedings under the Human Rights Act 1998 or a complaint to the Ombudsman.

[Type here]

Annex A

Senior Responsible Officer (SRO)

The following Officer shall be designated Senior Responsible Officer on behalf of the Councils' under the Codes of Practice:

Head of Legal and Democratic Services & Monitoring Officer

Authorising Officers (AO)

The following Officers shall be designated Authorising Officers on behalf of Exeter City Council under the Regulation of Investigatory Powers Act 2000:

Legal Services Manager

Team Lead – Housing and Litigation

NB. Only the Chief Executive has the authority to grant authorisation for the acquisition of confidential information or where the authorisation would involve juvenile or vulnerable CHIS

RIPA Co-ordinating Officer

Assistant Democratic Officer

[Type here]

Annex B

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:

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:

[Type here]

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:

Reasons:

Signed:

Date:

Time:

Full name:

Address of magistrates' court:

[Type here]