AUDIT COMMITTEE

Date and Time:- **Tuesday 28 July 2026 at 2.00 p.m.**

Venue:- **Rotherham Town Hall, The Crofts, Moorgate Street, Rotherham. S60 2TH**

Membership:- **Councillors Baggaley (Chair), Blackham, Elliott and Monk.**

Ms. A. Hutchinson and Mr. M. Olugbenga-Babalola, Independent Members

The items which will be discussed are described on the agenda below and there are reports attached which give more details**.**

Rotherham Council advocates openness and transparency as part of its democratic processes.

Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair or Governance Advisor of their intentions prior to the meeting.

AGENDA

1. Appointment of Vice-Chair for the 2026/27 Municipal Year (Pages 3 - 7)

2. Apologies for Absence
To receive the apologies of any Member who is unable to attend the meeting.

3. Questions from Members of the Public or the Press
To receive questions relating to items of business on the agenda from members of the public or press who are present at the meeting.

4. Declarations of Interest
To receive declarations of interest from Members in respect of items listed on the agenda.

5. Exclusion of the Press and Public
To determine whether the following items should be considered under the categories suggested in accordance with Part 1 of Schedule 12A (as amended 2006) of the Local Government Act 1972.

Under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for:-

Agenda Item 12 (Risk Management Annual Summary 2025-2026 and Corporate Strategic Risk Register Update) (Appendix) on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of any particular person (including the authority holding that information)).

6. Minutes of the previous meeting held on 16th June, 2026 (Pages 9 - 20)
To consider and approve the minutes of the previous meeting held on 16th June, 2026, as a true and correct record of the proceedings and to be signed by the Chair.

7. External Audit Update
Representatives of Grant Thornton (External Auditors) to provide any update

8. Update Report on the Use of Surveillance (Pages 21 - 116)
Michelle Scales, Service Manager, Litigation and Practice, to present

9. High Needs/Safety Valve Programme - 2025-26 (Pages 117 - 125)
Joshua Amahwe, Head of Finance CYPS, to present

10. Treasury Management Monitoring Report Q1 2026-27 (Pages 127 - 138)
Rob Mahon, Service Director, Financial Services, to present

11. External Inspections, Reviews, and Audits Update (Pages 139 - 171)
Katie Stead, Policy, Improvement and Risk Manager, to present

12. Risk Management Annual Summary 2025-2026 and Corporate Strategic Risk Register Update (Pages 173 - 198)
Katie Stead, Policy, Improvement and Risk Manager, to present

13. Draft Audit Committee 2025-26 Annual Report (Pages 199 - 219)
Louise Ivens, Head of Internal Audit, to present

14. Audit Committee Forward Work Plan (Pages 221 - 227)
Louise Ivens, Head of Internal Audit, to present

15. Items for Referral for Scrutiny
To consider the referral of matters for consideration by the Overview and Scrutiny Management Board.

16. Urgent Business
To consider any item which the Chair is of the opinion should be considered as a matter of urgency.

John Edwards,
Chief Executive

Agenda Item 1

Rotherham Metropolitan Borough Council

Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Appointment of Audit Committee Vice-Chair

Is this a Key Decision and has it been included on the Forward Plan?
No

Executive Director Approving Submission of the Report
Jane Maxwell, Director of Policy, Strategy and Engagement

Report Author(s)
Dawn Mitchell, Governance Advisor
01709 822062 or dawn.mitchell@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary
To appoint a Vice-Chair to the Audit Committee for the remainder of the 2026-27 Municipal Year following the resignation of Councillor Lelliott as appointed at the Annual Meeting of the Council on 20th May, 2026.

Recommendations

(1) That Councillor Ismail be appointed Vice-Chair of the Audit Committee for the remainder of the 2026-27 Municipal Year.

List of Appendices Included
None

Background Papers
None

Consideration by any other Council Committee, Scrutiny or Advisory Panel
Council – 09 September 2026

Council Approval Required
Yes

Exempt from the Press and Public
No

Appointment of Audit Committee Vice-Chair

1. Background

1.1 In accordance with the Council's Constitution, the Council is required to appoint Chairs and Vice-Chairs to those Committees and bodies where such positions are prescribed. These appointments support the effective operation, governance and leadership of the Council's decision-making and oversight arrangements.

1.2 At the Annual Meeting of Council held on 20 May 2026, Councillor Lelliott was duly appointed as a Member and Vice-Chair of the Audit Committee. At the time of appointment, this was consistent with the Committee's Terms of Reference as set out in Appendix 9, Section 5 of the Council's Constitution. The appointment ensured that the Committee had the required membership and leadership arrangements in place to undertake its responsibilities throughout the Municipal Year.

1.3 Since the Annual Meeting, Councillor Lelliott has resigned both as a Member of the Audit Committee and from the position of Vice-Chair. As a result, a vacancy has arisen within the Committee's membership and there is currently no appointed Vice-Chair to support the Chair and provide leadership continuity where required.

1.4 The vacancy presents an opportunity for Council to maintain the effectiveness of the Audit Committee by appointing a replacement Member and Vice-Chair. Filling these positions will ensure that the Committee continues to operate with its full complement of members, maintains appropriate leadership resilience, and is able to effectively discharge its responsibilities in relation to governance, risk management, internal control, financial reporting and audit matters.

1.5 Council is therefore asked to consider the available options and determine the most appropriate appointment arrangements for the remainder of the 2026/27 Municipal Year.

2. Key Issues

2.1 At the Annual Meeting of Council held on 20 May 2026, Councillor Lelliott was appointed as a Member of the Audit Committee and as its Vice-Chair in accordance with the Council's Constitution and the Committee's Terms of Reference. These appointments ensured that the Committee had the required membership and leadership arrangements in place to support its oversight of governance, risk management, internal control and audit matters.

2.2 Following the Annual Meeting, Councillor Lelliott formally resigned from the position of Vice-Chair and as a Member of the Audit Committee. This has created a vacancy within the Committee's elected membership and at this time the position of Vice-Chair.

2.3 In order to maintain the effective operation of the Audit Committee, Council is required to consider the appointment of an Elected Member to fill the vacant Committee position. Council is also asked to appoint a Vice-Chair to support the Chair in the discharge of the Committee's responsibilities and to provide leadership continuity in the event of the Chair's absence.

2.4 The Audit Committee comprises five Elected Members and two Independent Members. The Committee plays a key role within the Council's governance framework by providing independent assurance on the adequacy and effectiveness of the Council's governance, risk management and internal control arrangements. It also oversees internal and external audit activity and scrutinises the Council's financial reporting processes.

2.5 While the Committee remains quorate and capable of conducting its business, the current vacancy reduces its intended elected membership and limits the breadth of member participation in discussions and decision-making. Filling the vacancy would restore the Committee to its full membership and strengthen its capacity to undertake its responsibilities effectively.

2.6 The appointment of a Vice-Chair would further strengthen the Committee's resilience by ensuring appropriate leadership arrangements are in place throughout the remainder of the Municipal Year. The Vice-Chair provides support to the Chair, assists in maintaining continuity of business, and can fulfil the Chair's duties when required, helping to ensure the effective functioning of the Committee.

3. Options considered and recommended proposal

Option one (Recommended):

3.1 That Councillor Ismail is appointed as a Member of the Audit Committee and to the position of Vice-Chair for the remainder of the 2026/27 Municipal Year.

This is the preferred option as it will restore the Audit Committee to its full elected membership and ensure that appropriate leadership arrangements are in place. The appointment will strengthen the Committee's capacity and resilience, support continuity of business, and help ensure the continued effective discharge of its responsibilities in relation to governance, risk management, internal control and audit matters. It will also provide support to the Chair and maintain leadership continuity should the Chair be unavailable.

Option two:

3.2 That the Audit Committee continues to have a vacancy and no Vice-Chair for the remainder of the 2026/27 Municipal Year.

This is not the preferred option as it would leave the Audit Committee with a vacant position and no Vice-Chair for the remainder of the 2026/27 Municipal Year. Whilst the Committee would remain quorate and able to conduct its business, it would operate without its full complement of elected members and with reduced leadership resilience. This would place greater reliance on

existing Members and create a gap in leadership arrangements should the Chair be unavailable.

4. Consultation on proposal

4.1 There has been no consultation on the proposal.

5. Timetable and Accountability for Implementing this Decision

5.1 If approved at the 28th July Audit Committee, the appointment would be ratified at the 9th September Council meeting.

6. Financial and Procurement Advice and Implications

6.1 There were no direct implications relating to the appointment of the Vice-Chair to the Audit Committee for the remainder of the 2026/27 Municipal Year.

6.2 The Special Responsibility allowance payable for the Vice-Chair position is already accounted for within existing budgets.

7. Legal Advice and Implications

7.1 There are no legal implications associated with this proposal beyond ensuring that the Council complied with the provisions of the Constitution.

8. Human Resources Advice and Implications

8.1 There are no Human Resource implications associated with this report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 The appointment of Members to serve on Committees and other bodies of the Council may have an indirect impact on children and young people and vulnerable adults through the oversight, activities and decisions of those bodies. However, the recommendations contained within this report relate solely to Committee membership arrangements and there are no direct implications for children and young people or vulnerable adults arising from this decision.

10. Equalities and Human Rights Advice and Implications

10.1 The recommendations contained within this report relate solely to the appointment of Members to Committee positions. There are no identified equality or human rights implications arising from this proposal.

11. Implications for CO_2 Emissions and Climate Change

11.1 The recommendations contained within this report relate solely to committee membership arrangements. There are no identified implications for CO_2 emissions or climate change arising from this proposal.

12. Implications for Partners

12.1 The recommendations contained within this report relate solely to Committee membership arrangements. There are no identified implications for partner organisations arising from this proposal.

13. Risks and Mitigation

13.1 There is a risk that, without a Vice-Chair, the Audit Committee's leadership resilience could be reduced in the event of the Chair's absence. This risk would be mitigated through the appointment of a Vice-Chair, who would be able to support the Chair and provide continuity in the management of Committee business.

Accountable Officer
Dawn Mitchell, Governance Advisor

This report is published on the Council's website.

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AUDIT COMMITTEE
16th June, 2026

Present:- Councillor Baggaley (in the Chair); Councillors Blackham, Elliott and Monk.

Apologies for absence were received from Councillor Lelliott, Alison Hutchinson (Independent Person) and Michael Olugbenga-Babalola (Independent Person).

Also Present:-
Judith Badger, Executive Director, Corporate Services
Natalia Govorukhina, Head of Corporate Finance
Louise Ivens, Head of Internal Audit
Rob Mahon, Service Director of Financial Services
Scott Matthewman, Service Director, Strategic Commissioning
Simon Moss, Service Director, Regeneration and Environment
Katie Stead, Policy, Improvement and Risk Manager
Greg Charnley, Grant Thornton (External Auditors)
Liz Luddington, Grant Thornton (External Auditors)
Dawn Mitchell, Governance Advisor and Clerk

1. COUNCILLORS ALLEN AND MCKIERNAN

The Chair thanked Councillors Allen and McKiernan for their work on behalf of the Audit Committee.

2. COUNCILLOR MONK

The Chair welcomed Councillor Monk to her first meeting of the Audit Committee.

3. DECLARATIONS OF INTEREST

There were no Declarations of Interest made at the meeting.

4. QUESTIONS FROM MEMBERS OF THE PUBLIC OR THE PRESS

There were no members of the public in attendance at the meeting nor had any questions been received in advance of the meeting.

The member of the press present at the meeting did not have any questions.

5. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for Minute Nos. 13 (Internal Audit Progress Report – Appendix G as defined in Paragraph 7 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime) and

Minute No. 14 (Risk Management Directorate Presentation – Adult Care, Housing and Public Health) as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of any particular person (including the authority holding that information))

6. MINUTES OF THE PREVIOUS MEETING HELD ON 17TH MARCH, 2026

Consideration was given to the minutes of the previous meeting of the Audit Committee held on 17th March, 2026.

Resolved:- That the minutes of the previous meeting of the Audit Committee be approved as a correct record of proceedings.

7. EXTERNAL AUDIT PLAN AND PROGRESS REPORT

Liz Luddington, Engagement Lead and Key Audit Partner, and Greg Charnley, Audit Senior Manager, Grant Thornton, presented the 2025-26 External Audit Plan. As a result of the good arrangements in place both the production of draft financial statements and engagement with Grant Thornton, Rotherham had not been affected by any of the backstop provision for local authority audits.

In order to meet future statutory deadlines for 2025-26, Grant Thornton would be working towards an internal deadline of 30th November, 2026. A detailed project plan for the audit fieldwork period was scheduled from the beginning of July through to early November.

It was the aim for the audit work to be operationally completed by the end of October with the key outputs and reports being drafted and agreed with management in the first half of November prior to the Audit Findings (ISA260) report on the accounts and the Auditor's Annual Report on the Council's value for money arrangements being submitted to the 24th November meeting of the Audit Committee.

The report covered the key issues both for the national and local contexts. Areas of significant risk were the same as in previous years, centring around management over-ride of controls, closing valuation of land and buildings (including Council dwellings) and valuation of local government pension scheme defined benefit pension fund net balance. Materiality was calculated on a similar principle as previous years but if items went above those thresholds they would be considered separately within the audit.

The planning work for the 2025-26 audit had commenced in March 2026 and continued into April. The final accounts work would begin in July through to November.

Audit fees were set by PSAA as part of their national procurement exercise. Grant Thornton had been awarded the contract with effect from 2018-19 and was successful in the re-tendering exercise conducted in 2023. The scale fee set out in the PSAA contract for the 2025-26 audit was £429,398.

Resolved:- That the update and the audit plan be noted.

8. PUBLICATION OF UNAUDITED STATEMENT OF ACCOUNTS 2025-26

Consideration was given to a report presented by Natalia Govorukhina, Head of Corporate Finance, which introduced the draft Statement of Accounts, which had been published on the Council's website on 10th June 2026. This was slightly later than the original date of 31st May, 2026 allowing for effective quality and assurance checks to be performed, however, it complied with the 30th June statutory deadline for the publication of draft accounts. The period for local electors to exercise their rights for the public inspection phase had commenced on 11th June, 2026 and would end on 22nd July, 2026, then follow on to the external audit phase of the process.

It was proposed that the final accounts would be produced by the end of September 2026. However, Grant Thornton had indicated that, due to capacity constraints, it was likely to be late November for the completion of the audit of the accounts.

The Statement of Accounts included 4 appendices, the first was the narrative report, which was a more concise and easier to follow overview of the Council's financial standing, which covered the key areas of the accounts. Appendix 2 was the highlights report setting out key matters reported in the 2025-26 accounts; Appendix 3 was the unaudited statement of accounts 2025-26 and Appendix 4 showed the Council's response to enquiries from Grant Thornton with regard to issues that informed their audit risk assessment. The areas covered included fraud, laws and regulations and accounting estimates.

The accounts have been produced in accordance with the CIPFA Code of Practice.

In response to a question, it was clarified that when new build assets were applied to the asset register they were included at cost i.e. what was paid for the actual building. After a year they were revalued and often significantly less than the cost of building them. The significant reductions in expenditure in 2025-26 reported within the Comprehensive Income and Expenditure Statement were primary due to revaluation losses in 2024-25 resulting from the implementation of IFRS16 and the practical completion of Forge Island. The operational leases would be moved onto the balance sheet. The reduction in other operating expenditure reflected a loss on disposal in 2024-25 primarily caused by the derecognition of Council assets when schools became academies.

It was noted that the Audit Committee had had a training session on the Statement of Accounts in advance of the meeting.

Resolved: That the draft unaudited 2025-26 Statement of Accounts be noted.

9. DRAFT ANNUAL GOVERNANCE STATEMENT 2025-26

Consideration was given to the draft Annual Governance Statement (AGS) for the 2025-26 financial year as presented by Katie Stead, Policy, Improvement and Risk Manager. This was published alongside the Council's Statement of Accounts on 10th June, 2026. The paper briefly set out the process that was followed to construct this AGS and had been updated in line with the new guidance from CIPFA and had 2 new sections - Executive Summary and Forward Look.

A process to gather assurances and evidence to support the AGS was led by the Corporate Governance Group which included the Executive Director of Corporate Services, the Service Director of Legal Services, the Head of Internal Audit and the Policy, Improvement and Risk Manager. The draft AGS was then reviewed by the Monitoring Officer, Executive Director of Corporate Services, the Chief Executive and the Leader.

Each Executive Director had overseen a self-assessment of governance within their Directorates comprising of a self-assessment form based on the Principles and Sub-Principles in the Code of Corporate Governance by each Service Director as well as a review and update of the detailed issues raised in the 2024-25 AGS. Each Executive Director and Service Director was also required to submit a Statement of Assurance based on the information arising from their review of current and previous governance issues. These were then reviewed by the Corporate Governance Group also considering which issues were of sufficient significance to require reporting in the AGS.

It sets out the assurances in place to evidence conformance with the Council's Code of Corporate Governance which was approved by the Committee in September 2025 and included the results of an internal self-assessment led by the Corporate Governance Group and review of previous issues identified.

The statement concluded that governance arrangements were effective overall during 2025-26 and highlighted progress made throughout the financial year as well as highlighting areas for further improvements.

The final statement would be submitted to the November meeting together with the final statement of accounts and updated to include any emerging governance issues.

It was suggested that there may be some benefit to further separate those services that were assessed as partially conforming with only a small number of sub-categories within the code.

Resolved: That the draft 2025-26 Annual Governance Statement be noted.

10. ANNUAL TREASURY MANAGEMENT REPORT AND ACTUAL PRUDENTIAL INDICATORS 2025-26

Consideration was given to the Annual Treasury Management Report, presented by Natalia Govorukhina, Head of Corporate Finance, which was the final treasury report for 2025-26. Its purpose was to review the treasury activity for 2025-26 against the Strategy agreed at the start of the year. The report also covers the actual Prudential Indicators for 2025-26 in accordance with the requirements of the Prudential Code.

The Council received an Annual Treasury Strategy Report in advance of the 2025-26 financial year at its meeting on 5th March, 2025, and the Committee received a mid-year report at its meeting on 25th November, 2025, representing a mid-year review of treasury activity during 2025-26. In addition, quarterly updates were received by Audit Committee on 29th July, 2025 and 17th March, 2026.

This report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

The Council was required to comply with both Codes through regulations issued under the Local Government Act 2003.

Appendix 1 of the report submitted gave a summary of the Prudential Indicators for the Council.

The underlying economic and financial environment remained difficult for the Council to predict. Inflation had fallen back from historic highs in recent years and the Bank of England continued to cut interest rates. However, market sentiment had been heavily influenced by the Middle East conflict. Commentators anticipated a growing risk of inflation meaning interest rates would likely not be cut for some time and may increase to counteract inflationary pressures arising from steepening energy costs. The cost of long term borrowing form PWLB had also increased during the year, in part reflecting this sentiment. With regard to investments, the main challenge was concerns over investment counterparty risk. This background encouraged the Council to continue maintaining investments short term and with low risk counterparties.

During 2025-26 the Council had continued to pursue its short-term borrowing strategy in line with advice from its Treasury advisers. Borrowing was taken only as needed and would be refinanced in the next

few years. This had resulted in a significant increase in the net under borrowed position. The Council would continue to monitor the interest position with a view to taking out further long term borrowing if there were dips in the long term borrowing rates but currently was utilising short-term borrowing to cover immediate borrowing need in anticipation of lower rates in the future. This process was separate from the Council's financial monitoring which tracked planned and actual expenditure against planned budgets.

The Council had reduced its investment balances in recent years as funds had been used to meet loan maturities rather than refinancing at historically high interest rates. In 2025-26 the Council had borrowed an additional £142M from local authorities and PWLB. In addition the Council had repaid £110.2M of principal on a mix of local authority and PWLB loans.

It was noted that the report would be considered by Cabinet at its meeting on 6th July, 2026.

The Chair queried how much of the closing CFR (£25.7M less than approved via the Mid-Year report) was due to slippage on a number of capital schemes or was it due to grant funding. It was explained that wherever possible attempts would be made to maximise external funding sources which sometimes had an impact on the Council's Capital Financing Requirement (CFR) as it did not need to borrow. The Chair would be provided with a breakdown of the figures.

Resolved:- That the Treasury Management Prudential Indicators outturn position, as set out in Section 2 and Appendix 1 of the report submitted, be noted.

11. HIGHWAY STRUCTURES AUDIT REPORT UPDATE

Simon Moss, Service Director, Regeneration and Environment, presented a report setting out the actions taken and implementation of the recommendations made with regard to the Partial Assurance Internal Audit report on highway structures.

Under the Design Manual for Roads and Bridges, the Highway Authority was to carry out General Inspections (GI) every 2 years and Principal Inspections (PI) every 6 years. PIs could be risk assessed to reduce the frequency up to 12 years.

In 2024 it was acknowledged that there was a significant backlog of inspections and a range of actions were determined to manage and reduce the risk profile. One of the actions was to invite Internal Audit to undertake a further detailed review.

Internal Audit had issued a Partial Assurance opinion on the report with 9 recommendations:-

Recommendation One – Risk Reporting
This action was completed prior to the final audit report being circulated in December, 2025.

Recommendation Two – Risk Appetite
This action was completed prior to the final audit report being circulated in December, 2025.

Recommendation Three – Mine Workings
As the action was for future works, there was no deadline. However, as part of pre-construction information, a section for mine working had been highlighted in the PCI packs to be completed in the future.

Recommendation Four – Weakness in inspection data
This action was completed prior to the final audit report being circulated in December, 2025.

Recommendation Five – Safety Inspections
This action had started prior to the final report being circulated in December, 2025, however it was an ongoing activity.

Recommendation Six – Ownership of Highways Structure Assets
This was an ongoing action and agreed that it would be managed on a case-by-case basis where there was ambiguity in records of the asset ownership.

Recommendation Seven – Highways Asset Management Plan (HAMP) disclosure
This action was completed prior to the final audit report being circulated in December, 2025 as the HAMP update was in November, 2025.

Recommendation Eight – Continuing Professional Development
This was an ongoing action. It was agreed that at the time of appointment of staff (permanent or temporary) that suitable checks would be carried out as part of the onboarding process. For contract staff, suitable checks would be carried out annually at a point where purchase orders needed to be extended/renewed.

Recommendation Nine – Follow-up Inspections
This was ongoing activity.

In 2025, the Council had 365 structures listed on its highway asset register. Of those, only 9 structures had a GIs within the 2 year validation period and 43 PIs within the 6 year validation period. As of June, 2026, all the structures had an up-to-date GI and carried out within the 2 year timeframe.

The approach to PIs was to commission external contractors for the inspections which could be carried out inhouse due to third parties e.g.

Network Rail Canal and River Trust etc. In the last year 40 PIs had been commissioned and a further 50 carried out inhouse. 81 structures now had a valid PI within the timeframe with a further 31 to be reviewed and approved.

Discussion ensued with the following issues raised/clarified:-

- It was hoped that all the PIs would be complete by the end of the next financial year
- The Team in place now were suitably qualified, however, some of the PIs were being outsourced due to the specialist equipment required
- The increase in inspections was leading to an increase in defects found leading to challenging demands for resources

Resolved:- That the report be noted.

12. INTERNAL AUDIT ANNUAL REPORT 2025-26

Consideration was given to a report presented by Louise Ivens, Head of Internal Audit, which provided information on the role of Internal Audit; the work completed during 2025-26 and highlighted the key issues that had arisen therefrom. It provided the overall opinion of the Head of Internal Audit on the adequacy of the Council's control environment, risk management and governance. It also provided information regarding the performance of the Internal Audit function during 2025-26.

Based upon the Internal Audit work undertaken and, taking into account other internal and external assurance processes, it had been possible to complete an assessment of the Council's overall control environment. In the opinion of the Head of Internal Audit, the Council had overall an adequate and effective framework of governance, risk management and control.

There had been a reduction in the number of audit reports with Partial/No Assurance opinions from the previous year. Management continued to proactively seek audit assurance where concerns existed. Whilst the Partial Assurance opinions had identified weaknesses in the control environment or compliance with controls, the weaknesses were not material enough to have a significant impact on the overall opinion on the adequacy of the Council's governance, risk management and control arrangements at the year end. The work undertaken during the year had clearly focused on the key risk areas of the Council and targeted to specific areas of concern.

The report included:-

- Legislative requirements and Professional Standards
- The Head of Internal Audit's annual opinion on the control framework, risk management and governance
- Resources and audit coverage during the year

- Summary of audit work undertaken during 2025-26, including both planned and responsive/investigatory work
- Summary of other evidence taken into account for control environment opinion
- Summary of audit opinions and recommendations made
- Internal Audit performance indicators

Audits were carried out in all areas of the Council during the year with the overall level of control found in audits to be good. 88% of audits resulted in a Substantial or Reasonable Assurance opinion with 6 Partial Assurances.

During 2025-26, 197 recommendations (210 in 2024-25) were made to improve the internal control, risk management and governance arrangements across the Council. Of these, 17 (32 in 2024-25) were in the highest category (red).

There had been one staffing change during the year due to an experienced member of team having retired. The post had proven difficult to recruit to but the new postholder would be taking up the position shortly together with a trainee auditor. During 2025-26 this had had a minor impact on the number of days performed, however, it was the opinion of the Head of Internal Audit that resource levels throughout the year provided sufficient capacity to provide an adequate level of assurance to the Audit Committee and Executive Director of Corporate Services. Sufficient work was completed during 2025-26 to enable the Head of Internal Audit to provide her overall opinion.

The Global Internal Audit Standards (UK Public Sector) required a quality assurance framework to be established including both internal and external assessments of the work of Internal Audit. CIPFA undertook a comprehensive External Quality Assessment of the Internal Audit function during Autumn 2025 which measured conformance against the Global Internal Audit Standards, the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (the Code) and the Associated Application Note: Global Internal Audit Standards in the UK Public Sector.

The assessment confirmed that the Internal Audit function was “Generally Conforming” overall to the Standards and Principles. This was the highest classification that CIPFA awarded.

The Committee sought reassurance, given the availability and movement of staff members, that the resources sufficient to deliver the Internal Audit Plan. The Head of Internal Audit confirmed that she was confident moving forward having recruited to the senior auditor position and the new trainee auditor. It was hoped to be fully staffed by the end of the summer.

Resolved:- (1) That the work undertaken during the 2025-26 financial year and the key issues that had arisen therefrom be noted.

(2) That the overall opinion of the Head of Internal Audit on the adequacy and effectiveness of the framework of governance, risk management and control within the Council be noted.

(3) That the Committee's satisfaction with the effectiveness and efficiency of the Internal Audit function be noted.

13. INTERNAL AUDIT PROGRESS REPORT

Consideration was given to a report presented by Louise Ivens, Head of Internal Audit, which provided a summary of Internal Audit work completed during 1st February to 30th April, 2026, and the key issues that had arisen.

The plan attached as part of the report showed the position up to the end of April 2026, the progress of the 2025-26 audit plan, the reports finalised between February and April 2026 and performance indicators for the Team. Since the last report there had been 6 audit actions that had been deferred which had reduced to 4 by May.

Internal Audit provided an opinion on the control environment for all systems or services which were subject to audit review. The report detailed the audit opinions and a summary of all audit work concluded in the last quarter. 11 audits with 15 reports, had been finalised since the last Audit Committee, 2 of which had received Substantial Assurance, 12 received Reasonable Assurance opinion and 1 Partial Assurance.

A review of the current performance indicators was detailed in Appendix D, post-audit questionnaires and results included at Appendix E and the Quality Assurance and Improvement Plan at Appendix F. Appendix G set out details of the Internal Audit investigative work completed.

It was noted that the Liquid Logic audit had been undertaken by Salford IT on the Authority's behalf and had raised an issue with the 'Super User' profiles. The Service had taken immediate action in reducing access across the CYPS and Adults Directorates. During the time of Salford reporting the issue, Internal Audit had undertaken deep dive testing to ascertain there had been no inappropriate activity. This had been reported to the November meeting of the Committee (Minute No. 53 of 25th November, 2025 refers).

Resolved:- (1) That the Internal Audit work undertaken since the last Audit Committee, 1st February to 30th April, 2026, and the key issues that have arisen from it be noted.

(2) That the performance objectives of Internal Audit and the actions being taken by audit management in respect of meeting the performance objectives be noted.

(Appendix G was considered in the absence of the press and public in accordance with Paragraph 7 of the Act (information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime).

14. ADULT CARE HOUSING AND PUBLIC HEALTH RISK MANAGEMENT REGISTER

Consideration was given to a report, presented by Scott Matthewman, Service Director Strategic Commissioning, providing details of the Risk Register and risk management activity within the Adult Care, Housing and Public Health Directorate.

A detailed breakdown was given of the Directorate's approach to risk management and the efforts to ensure transparency and the understanding of risk management by all staff.

In response to a query further information and assurance was provided on the risks rated red within the Directorate, which included risks, ACHPH-R49, ACHPH-R51 and 52,

Resolved: That the progress and current position in relation to risk management activity in the Adult Care, Housing and Public Health Directorate, as detailed in the report now submitted, be noted.

(The report was considered in the absence of the press and public in accordance with Paragraph 3 of the Act (information relating to the financial or business affairs of any particular person (including the authority holding that information).

15. AUDIT COMMITTEE FORWARD WORK PLAN

Consideration was given to the proposed forward work plan for the Audit Committee for July 2026 to June 2027. The plan showed how the agenda items related to the objectives of the Committee. It was presented for review and amendment as necessary.

Resolved:- That the Audit Committee forward work plan, as now submitted, be approved.

16. ITEMS FOR REFERRAL FOR SCRUTINY

There were no items for referral.

17. URGENT BUSINESS

There was no urgent business for consideration.

Rotherham Metropolitan Borough Council

Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Update Report on the Use of Surveillance

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Judith Badger, Strategic Director, Finance and Customer Services

Report Author(s)
Michelle Scales, Service Manager – Litigation and Practice
01709 823145 – Michelle.Scales@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary
This is a report to update the Audit Committee in its oversight role on the Council's use of surveillance under the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA).

Recommendations

That the Audit Committee:

1. Notes that the Council has not made use of surveillance or acquisition of communication data powers under the relevant legislation since February 2025.
2. Notes the findings of the Inspection by the IPCO and that the next inspection will take place in 2029.
3. Adopts the RIPA Policy with minor amendments which have been made to provide clarity and use of accurate terminology when referencing the relevant guidance documents.

List of Appendices Included

Copy of the RIPA Policy 2026 with Tracked Changes
Final Copy of the RIPA Policy 2026
Letter from IPCO following inspection

Background Papers

Revised Code of Practice - Covert Surveillance and Property Interference [Home Office, 2022, updated February 2024]

https://www.gov.uk/government/publications/covert-surveillance-and-covert-human-intelligence-sources-codes-of-practice#full-publication-update-history

Revised Code of Practice - Covert Human Intelligence Sources [Home Office, 2022]

https://www.gov.uk/government/publications/covert-human-intelligence-sources-code-of-practice-2022

Code of Practice – Communications Data [2018, Updated June 2025]

Communications data: code of practice - GOV.UK

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Update Report on the Use of Surveillance and Acquisition of Communications Data Powers

1. Background

1.1 The Regulation of Investigatory Powers Act 2000 (RIPA) provides a mechanism to make it lawful for public bodies, such as local authorities, to use directed (i.e. covert) surveillance and covert human intelligence sources e.g. undercover officers and public informants for the purposes of the detection and prevention of crime. Any use of those powers has to be proportionate and necessary both in use and scope. The Council has a RIPA Policy that governs the use of those powers. The Policy was updated and approved by the Committee on 29th July 2025.

1.2 The Investigatory Powers Act 2016 also provides a mechanism for public bodies, such as local authorities, to acquire communications data where it is proportionate and necessary to do so for a legally prescribed purpose. Typically, this activity might include acquiring mobile phone subscriber details and details of itemised calls, but not the content of calls. The Council does not currently use the powers under the legislation.

1.3 The Council's corporate policies in this regard make provision for the Audit Committee to oversee the operation of these policies by receiving reports on a 12-monthly basis to ensure that RIPA powers are being used in a manner consistent with the Policy. Due to the Council not having used the powers available, it was deemed appropriate for reporting to take place annually.

2. Key Issues

2.1 So far, since the last report, the Council has not used its powers under RIPA to use directed (i.e. covert) surveillance, covert human intelligence sources, e.g. undercover officers and informants or to acquire communications data. The annual statistical return was completed and sent to the Investigatory Powers Commissioner's Office on the 5th January 2026. A copy of the return is not available as this is now completed via an online portal.

2.2 External training was provided to all officers involved or likely to be involved in the use of the powers provided under the RIPA legislation on the 21st October 2025, 13th January 2026 and 11th February 2026. To ensure that this training is up to date and new staff joining are aware of their roles, further training sessions will be arranged for 2026. The purpose of this will be to further reduce any potential risk arising from any unauthorised activity.

2.3 The revised Home Office Codes of Practice advise that the elected members of a local authority should:

2.3.1 Review the authority's use of RIPA and set the policy at least once a year; and

2.3.2 Consider internal reports on use of RIPA on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose.

2.4 On 8th December 2025, the Council received notification from the IPCO regarding its mandatory inspection. The Council was asked to complete a questionnaire and provide various documentation, the information requested was provided on the 14th January 2026. A meeting then took place via Teams with the Inspector from the IPCO.

2.5 The meeting was positive and on the 27th January 2026, the Council received notification as to the outcome of the inspection. The IPCO confirmed their satisfaction in relation to the Council's ongoing compliance with RIPA 2000 and the Investigatory Powers Act 2016.

2.6 The Inspector noted that '*the policy documents were well structured and had been updated since the last inspection. The policy includes informative diagrams and flow charts to aid staff in their understanding of when RIPA protections should be considered and sought. It is clear to my Inspector that your Council takes its responsibilities in relation to the management of covert activities seriously and this is reflected in the quality of the application and authorisation viewed during the inspection'*.

2.7 The IPCO also noted that '*the Council continues to perform well, and the staff engaged with are fully aware of their responsibilities and eager to achieve the highest of standards. My inspector has provided advice which it is hoped will assist in improving already good standards. Those 'fine tuning' improvements relate to the updating of RIPA forms to remove out of date references to the Code of Practice'*.

2.8 The RIPA Policy was reviewed by this Committee at its meeting on 29th July 2025 and was re-adopted with some minor amendments which were made to provide clarity and use of accurate terminology when referencing guidance documents. The RIPA Policy has been reviewed and as there have been no changes to guidance or Codes of Practice the Policy does not require any significant amendment. There are minor amendments which take into account feedback from the Inspector, a link has been provided in order to ensure Officers can access up to date versions of all relevant forms and an update has been included around advice that authorising officers should not authorise applications for their own service where possible.

3. Options considered and recommended proposal

The recommended proposal(s) is that the Audit Committee:

3.1 Notes that the Council has not made use of surveillance or acquisition of communication data powers under the relevant legislation since February 2025.

3.2 Notes the findings of the Inspection by the IPCO and that the next inspection will take place in 2029.

3.3 Adopts the RIPA Policy with minor amendments which have been made to take into account feedback from the Inspector.

4. Consultation on Proposal

4.1 Not applicable.

5. Timetable and Accountability for Implementing this Decision

5.1 The Policy will be implemented immediately should the Committee approve it.

6. Financial and Procurement Advice and Implications

6.1 There are no Financial and Procurement implications.

7. Legal Advice and Implications

7.1 Legal implications are considered in the main body of this Report.

8. Human Resources Advice and Implications

8.1 There are no Human Resources implications.

9. Implications for Children and Young People and Vulnerable Adults

9.1 There are no direct implications for children and young people and vulnerable adults.

10. Equalities and Human Rights Advice and Implications

10.1 Adherence to the Council's policies and the statutory guidance in relation to the use of RIPA and the Acquisition of Communication Data powers should ensure that any actions taken are in accordance with human rights.

11. Implications for Partners

11.1 There are no direct implications for partners or other directorates.

12. Risks and Mitigation

12.1 As above at paragraph 2.3 the statutory guidance requires oversight by elected members on the use of RIPA powers and to ensure policies remain fit for purpose. A failure to follow this guidance would increase the risk of misuse of RIPA powers and intervention by the Investigatory Powers Commissioner.

13. Accountable Officer(s)

Bal Nahal, Head of Legal Services

Report Author: Michelle Scales, Service Manager – Litigation and Practice
01709 823145 – michelle.scales@rotherham.gov.uk

This report is published on the Council's website.

ROTHERHAM BOROUGH COUNCIL

RIPA Policy

July 2026~~5~~

INDEX

ROTHERHAM BOROUGH COUNCIL

1. COVERT SURVEILLANCE POLICY STATEMENT

Introduction

1. Rotherham Borough Council ("the Council") is committed to building a fair and safe community for all by ensuring the effectiveness of laws designed to protect individuals, businesses, the environment and public resources.

2. The Council recognises that most organisations and individuals appreciate the importance of these laws and abide by them. The Council will use its best endeavours to help them meet their legal obligations without unnecessary expense and bureaucracy.

3. At the same time the Council has a legal responsibility to ensure that those who seek to flout the law are the subject of firm but fair enforcement action. Before taking such action, the Council may need to undertake covert surveillance of individuals and/or premises to gather evidence of illegal activity.

Procedure

4. All covert surveillance shall be undertaken in accordance with the procedures set out in this document.

5. The Council shall ensure that covert surveillance is only undertaken where it complies fully with all applicable laws in particular the:-

   - Human Rights Act 1998
   - Regulation of Investigatory Powers Act 2000 ("RIPA")
   - Protection of Freedoms Act 2012
   - Data Protection Act 2018

6. The Council shall, in addition, have due regard to all official guidance and codes of practice particularly those issued by the Home Office, the Investigatory Powers Commissioner's Office, the Surveillance Camera Commissioner and the Information Commissioner.

7. In particular the following guiding principles shall form the basis of all covert surveillance activity undertaken by the Council:

   - Covert surveillance shall only be undertaken where it is absolutely necessary to achieve the desired aims.

   - Covert surveillance shall only be undertaken where it is proportionate to do so and in a manner that it is proportionate.

   - Adequate regard shall be had to the rights and freedoms of those who are not the target of the covert surveillance.

- All authorisations to carry out covert surveillance shall be granted by appropriately trained and designated authorising officers. A list of those authorising officers who have been nominated by their Directorate and have undertaken appropriate training is held by the Senior Responsible Officer (SRO).
- Covert surveillance which is regulated by RIPA shall only be undertaken after obtaining judicial approval following (Magistrates Approval).
- The operation of this Policy and Procedure will be overseen by the SRO, whose role is described later in this document.

Training and Review

8. All Council officers undertaking and authorising covert surveillance shall be appropriately trained to ensure that they understand their legal and moral obligations.

9. Quality Assurance checks shall be carried out by the Solicitor with conduct of a specific case and the RIPA Co-ordinator to ensure that officers are complying with this policy when the authorisation forms are forwarded to Legal Services for the Judicial Approval applications. All other forms – Renewals, Review, and Cancellation forms are submitted to the RIPA Coordinator who will collate the forms for the Central Record.

10. This policy shall be reviewed at least once a year in the light of the latest legal developments and changes to official guidance and codes of practice.

11. The operation of this policy shall be overseen by the Council's Audit Committee by receiving reports on a 12 monthly basis to ensure that the RIPA powers are being used consistently with this policy.

Conclusion

12. All citizens will reap the benefits of this policy, through effective enforcement of criminal and regulatory legislation and the protection that it provides.

13. Adherence to this policy will minimise intrusion into citizens' lives and will avoid any legal challenge to the Council's covert surveillance activities.

14. An electronic copy of this Policy can be found on the Council's Intranet on the Key Documents section of the Legal Services page.

15. Any questions relating to this policy should be addressed to:

Contact: Phil Horsfield, Assistant Director for Legal Services (Senior Responsible Officer) – 01709 254437
Bal Nahal, Head of Legal Services (RIPA Coordinator) – 01709 823661
Michelle Scales, Service Manager for Litigation & Practice – 01709 823145

2. GUIDE TO SURVEILLANCE REGULATED BY PART 2 OF RIPA

Part 2 of RIPA sets out a regulatory framework for the use of covert investigatory techniques by public authorities to ensure that they are compatible with the European Convention of Human Rights (ECHR), particularly Article 8, the right to respect for private and family life. The purpose of this part of the procedure is to help you decide what type of surveillance you are doing and whether it is regulated by Part 2.

The Law

- The Regulation of Investigatory Powers Act 2000
  http://www.legislation.gov.uk/ukpga/2000/23/contents
- RIPA Explanatory Notes
  http://www.legislation.gov.uk/ukpga/2000/23/notes/contents
- Covert Surveillance and Property Interference Statutory Code of Practice (Revised December 2022, Updated February 2024)
  https://www.gov.uk/government/publications/covert-surveillance-and-covert-human-intelligence-sources-codes-of-practice
- Covert Human Intelligence Sources Statutory Code of Practice [Revised December 2022]
  https://www.gov.uk/government/publications/covert-human-intelligence-sources-code-of-practice-2022
- SI 2010 N0.521 - Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010
  http://www.legislation.gov.uk/uksi/2010/521/pdfs/uksi_20100521_en.pdf
- SI 2012 No.1500 (The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012)
  http://www.legislation.gov.uk/uksi/2012/1500/pdfs/uksi_20121500_en.pdf

The Surveillance Techniques which Local Authorities may authorise

Part 2 of RIPA allows local authorities to authorise two out of the three techniques it regulates i.e. the use of directed surveillance and covert human intelligence sources. The first issue for any local authority officer, considering undertaking covert surveillance is: **is it something that can be authorised under RIPA?**

Let us consider the definitions of the different types of surveillance regulated by Part 2 of RIPA:

1. Directed Surveillance
2. Intrusive Surveillance
3. Covert Human Intelligence Source (CHIS

i) **Directed Surveillance**: -This is defined in S.26(2) of the Act:

"Subject to subsection (6), surveillance is directed for the purposes of this Part if it is covert but not intrusive and is undertaken –

(a) for the purposes of a specific investigation or a specific operation;

(b) in such a manner as is likely to result in the obtaining of private information about a person (whether or not one specifically identified for the purposes of the investigation or operation); and

(c) otherwise than by way of an immediate response to events or circumstances the nature of which is such that it would not be reasonably practicable for an authorisation under this Part to be sought for the carrying out of the surveillance."

Typically, local authorities may use Directed Surveillance when investigating benefit fraud, trading standards offences or serious environmental crime or antisocial behaviour. This may involve covertly filming or following an individual or monitoring their activity in other ways.

Before undertaking any covert surveillance activity an investigating officer must ask (and have an affirmative answer to) six questions before the activity can be classed as Directed Surveillance:

- Is the surveillance, actually "surveillance" as defined by the Act?
- Will it be done covertly?
- Is it for a specific investigation or a specific operation?
- Is it likely to result in the obtaining of private information about a person?
- Will it be done, otherwise than by way of an immediate response to events?

Please consult Flowchart 1 when deciding if your surveillance is Directed.

Key Points to Note

1. General observations do not constitute Directed Surveillance. The Covert Surveillance Revised Code of Practice (para 3.33) states:

   "The general observation duties of many law enforcement officers and other public authorities do not require authorisation under the 2000 Act, whether covert or overt. Such general observation duties frequently form part of the legislative functions of public authorities, as opposed to the pre-planned surveillance of a specific person or group of people. General observation duties may include monitoring of publicly accessible areas of the internet in circumstances where it is not part of a specific investigation or operation."

2. Surveillance is only Directed if it is covert. S.26(9)(a) states:

"Surveillance is covert if, and only if, it is carried out in a manner that is calculated to ensure that persons who are subject to the surveillance are unaware that it is or may be taking place;"

This requires investigating officers to consider the manner in which the surveillance is going to be undertaken. If it is done openly, without making any attempt to conceal it or a warning letter is served on the target before the surveillance is done, then it will not be covert.

3. The definition of "private information" is very wide. The Covert Surveillance and Property Interference Revised Code of Practice at paragraphs 3.3 to 3.6 states:

3.3 The 2000 Act states that private information includes any information relating to a person's private or family life10. As a result, private information is capable of including any aspect of a person's private or personal relationship with others, such as family11 and professional or business relationships. Information which is non-private may include publicly available information such as books, newspapers, journals, TV and radio broadcasts, newswires, web sites, mapping imagery, academic articles, conference proceedings, business reports, and more. Such information may also include commercially available data where a fee may be charged, and any data which is available on request or made available at a meeting to a member of the public. Non-private data will also include the attributes of inanimate objects such as the class to which a cargo ship belongs.

3.4 Whilst a person may have a reduced expectation of privacy when in a public place, covert surveillance of that person's activities in public may still result in the obtaining of private information. This is likely to be the case where that person has a reasonable expectation of privacy even though acting in public and where a record is being made by a public authority of that person's activities for future consideration or analysis.12 Surveillance of publicly accessible areas of the internet should be treated in a similar way, recognising that there may be an expectation of privacy over information which is on the internet, particularly where accessing information on social media websites. See paragraphs 3.10 to 3.17 below for further guidance about the use of the internet as a surveillance tool.

3.5 Private life considerations are particularly likely to arise if several records are to be analysed together in order to establish, for example, a pattern of behaviour, or if one or more pieces of information (whether or not available in the public domain) are covertly (or in some cases overtly) obtained for the purpose of making a permanent record about a person or for subsequent data processing to generate further information. In such circumstances, the totality of information gleaned may constitute private information even if individual records do not. Where such

conduct includes covert surveillance, a directed surveillance authorisation may be considered appropriate.

3.6 Private information may include personal data, such as names, telephone numbers and address details. Where such information is acquired by means of covert surveillance of a person having a reasonable expectation of privacy, a directed surveillance authorisation is appropriate.

4. Where covert surveillance needs to be done in an emergency and there is no time (or no Authorising Officer available) to authorise the activity, the surveillance can still be done. It will not constitute Directed Surveillance. The Covert Surveillance and Property Interference Revised Code of Practice (para 3.32) states:

"Covert surveillance that is likely to reveal private information about a person but is carried out by way of an immediate response to events such that it is not reasonably practicable to obtain an authorisation under the 2000 Act, would not require a directed surveillance authorisation. The 2000 Act is not intended to prevent law enforcement officers fulfilling their legislative functions. To this end section 26(2)(c) of the 2000 Act provides that surveillance is not directed surveillance when it is carried out by way of an immediate response to events or circumstances the nature of which is such that it is not reasonably practicable for an authorisation to be sought for the carrying out of the surveillance."

5. If the Council authorises a non-employee (e.g. an enquiry agent) to conduct covert surveillance then that person/company is acting as an agent for the Council. The Authorising Officer must ensure that the person/company is competent and they have provided a written acknowledgment that they are an agent of the Council and will comply with the authorisation.

6. The Covert Surveillance and Property Interference Revised Code of Practice at paragraphs 3.10 to 3.17 clarifies the position on the use of social media for surveillance and provides examples:

3.10 The growth of the internet, and the extent of the information that is now available online, presents new opportunities for public authorities to view or gather information which may assist them in preventing or detecting crime or carrying out other statutory functions, as well as in understanding and engaging with the public they serve. It is important that public authorities are able to make full and lawful use of this information for their statutory purposes. Much of it can be accessed without the need for RIPA authorisation; use of the internet prior to an investigation should not normally engage privacy considerations. But if the study of an individual's online presence becomes persistent, or where material obtained from any check is to be extracted and recorded and may engage privacy considerations, RIPA authorisations may need to be

considered. The following guidance is intended to assist public authorities in identifying when such authorisations may be appropriate.

3.11 The internet may be used for intelligence gathering and/or as a surveillance tool. Where online monitoring or investigation is conducted covertly for the purpose of a specific investigation or operation and is likely to result in the obtaining of private information about a person or group, an authorisation for directed surveillance should be considered, as set out elsewhere in this code. Where a person acting on behalf of a public authority is intending to engage with others online without disclosing his or her identity, a CHIS authorisation may be needed (paragraphs 4.10 to 4.16 of the Covert Human Intelligence Sources code of practice provide detail on where a CHIS authorisation may be available for online activity

3.12 In deciding whether online surveillance should be regarded as covert, consideration should be given to the likelihood of the subject(s) knowing that the surveillance is or may be taking place. Use of the internet itself may be considered as adopting a surveillance technique calculated to ensure that the subject is unaware of it, even if no further steps are taken to conceal the activity. Conversely, where a public authority has taken reasonable steps to inform the public or particular individuals that the surveillance is or may be taking place, the activity may be regarded as overt and a directed surveillance authorisation will not normally be available.

3.13 As set out in paragraph 3.14 below, depending on the nature of the online platform, there may be a reduced expectation of privacy where information relating to a person or group of people is made openly available within the public domain, however in some circumstances privacy implications still apply. This is because the intention when making such information available was not for it to be used for a covert purpose such as investigative activity. This is regardless of whether a user of a website or social media platform has sought to protect such information by restricting its access by activating privacy settings.

3.14 Where information about an individual is placed on a publicly accessible database, for example the telephone directory or Companies House, which is commonly used and known to be accessible to all, they are unlikely to have any reasonable expectation of privacy over the monitoring by public authorities of that information. Individuals who post information on social media networks and other websites whose purpose is to communicate messages to a wide audience are also less likely to hold a reasonable expectation of privacy in relation to that information.

3.15 Whether a public authority interferes with a person's private life includes a consideration of the nature of the public authority's activity in relation to that information. Simple reconnaissance of such sites (i.e. preliminary examination with a view to establishing whether the site or its contents are of interest) is unlikely to interfere with a person's reasonably

held expectation of privacy and therefore is not likely to require a directed surveillance authorisation. But where a public authority is systematically collecting and recording information about a particular person or group, a directed surveillance authorisation should be considered. These considerations apply regardless of when the information was shared online. See also paragraph 3.

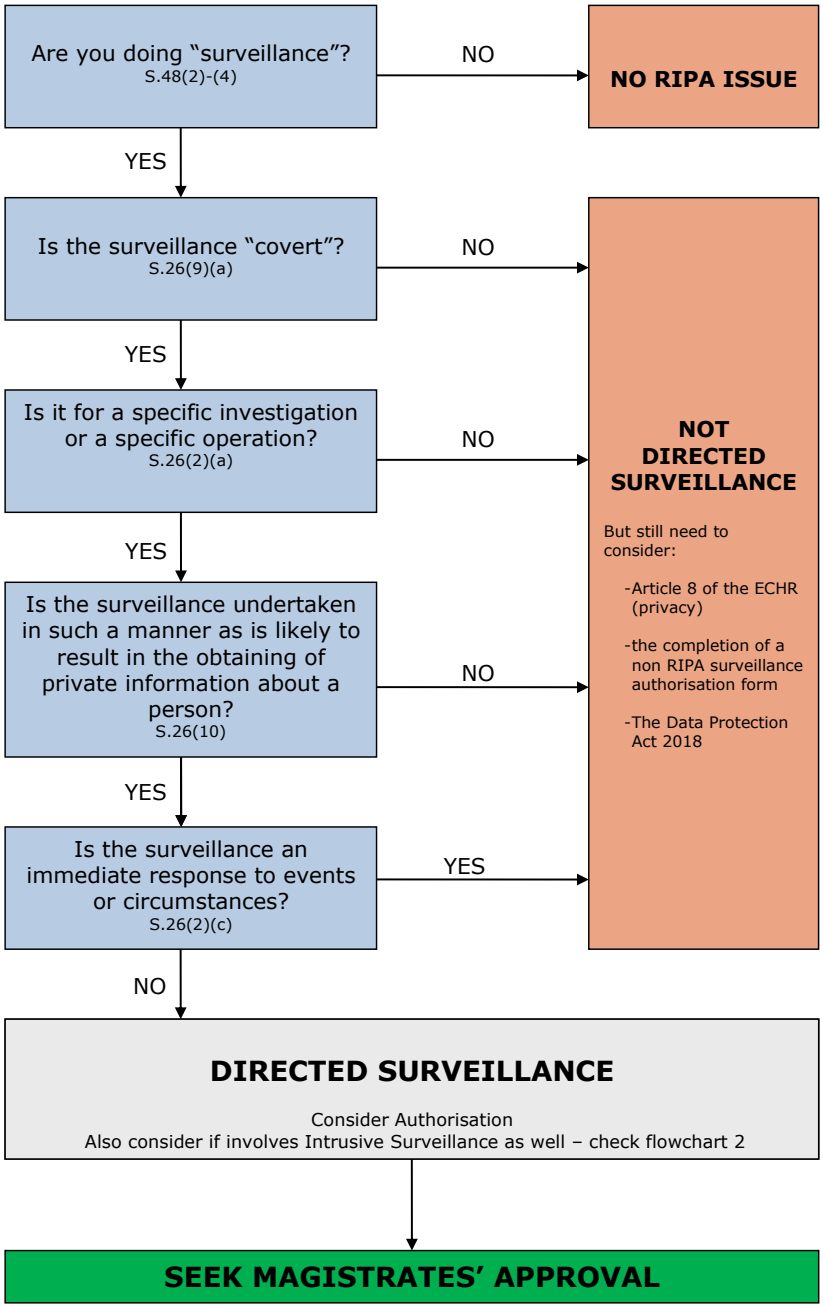
3.16 In order to determine whether a directed surveillance authorisation should be sought for accessing information on a website as part of a covert investigation or operation, it is necessary to look at the intended purpose and scope of the online activity it is proposed to undertake. Factors that should be considered in establishing whether a directed surveillance authorisation is required include:

- *Whether the investigation or research is directed towards an individual or organisation;*
- *Whether it is likely to result in obtaining private information about a person or group of people (taking account of the guidance at paragraph 3.6 above);*
- *Whether it is likely to involve visiting internet sites to build up an intelligence picture or profile;*
- *Whether the information obtained will be recorded and retained;*
- *Whether the information is likely to provide an observer with a pattern of lifestyle;*
- *Whether the information is being combined with other sources of information or intelligence, which amounts to information relating to a person's private life;*
- *Whether the investigation or research is part of an ongoing piece of work involving repeated viewing of the subject(s);*
- *Whether it is likely to involve identifying and recording information about third parties, such as friends and family members of the subject of interest, or information posted by third parties, that may include private information and therefore constitute collateral intrusion into the privacy of these third parties.*

3.17 Internet searches carried out by a third party on behalf of a public authority, or with the use of a search tool, may still require a directed surveillance authorisation (see paragraph 4.32).

No officer should make repeated visits to the same open source social media site as part of an investigation unless they have first spoken to the Assistant Director for Legal Services (Phil Horsfield 01709 254437), the Council's RIPA Coordinator, the Head of Legal Services (Bal Nahal 01709 823661) or the Service Manager for Litigation & Practice (Michelle Scales 01709 823145) to ensure that it is lawful to do so.

Flowchart 1 - Are you conducting Directed Surveillance?



ii) **Intrusive Surveillance**: S.26(3) states:

"Subject to subsections (4) to (6), surveillance is intrusive for the purposes of this Part if, and only if, it is covert surveillance that—

(a) is carried out in relation to anything taking place on any residential premises or in any private vehicle; and

(b) involves the presence of an individual on the premises or in the vehicle or is carried out by means of a surveillance device. "

As the name suggests, this type of surveillance is much more intrusive and so the legislation is framed in a way as to give greater protection to the citizen when it is used. Applications to carry out Intrusive Surveillance can only be made by the senior Authorising Officer of those public authorities listed in or added to S.32(6) of the Act or by a member or official of those public authorities listed in or added to section 41(l). **Local authorities are not listed therein and so cannot authorise such Intrusive Surveillance.**

It is still important for investigating officers to understand the definition of Intrusive Surveillance in order for them to be able to ensure that Directed Surveillance does not inadvertently extend into Intrusive Surveillance. The following issues should be considered in each case:

- Is it Covert Surveillance as defined by the Act?
- Is it being carried out in relation to anything taking place on any residential premises or in any private vehicle?
- Does it involve the presence of an individual on the premises or in the vehicle?
- Is it being carried out by means of a surveillance device on the premises or in the vehicle?

Please consult Flowchart 2 when deciding if your surveillance is Intrusive.

Key Points to Note

1. When doing covert surveillance of premises it can only be Intrusive if it is carried out in relation to anything taking place on residential premises. This is defined in S.48(1):

   "residential premises" means (subject to subsection (7)(b)) so much of any premises as is for the time being occupied or used by any person, however temporarily, for residential purposes or otherwise as living accommodation (including hotel or prison accommodation that is so occupied or used);"

   Environmental health officers doing covert surveillance of takeaways, restaurants and shops will not be doing Intrusive Surveillance. Care must be taken though where a shop also contains living quarters and covert filming may capture images of people in those quarters. Other examples of residential premises include flats, hotel rooms, caravans and even boats, which are used as living quarters. Care must be taken

in such situations to avoid the accusation that unauthorised Intrusive Surveillance was carried out.
Paragraphs 3.23 to 3.26 of the Covert Surveillance and Property Interference Revised Code of Practice provides examples of premises that would and would not be regarded as residential premises.

2. Not all surveillance of vehicles is Intrusive; the target has to be a private vehicle as defined in S.48(1):

   "private vehicle" means (subject to subsection (7)(a)) any vehicle which is used primarily for the private purposes of the person who owns it or of a person otherwise having the right to use it;"

   The vehicle can be owned, borrowed, rented or leased. However (by virtue of S.48 (7) (a)) surveillance is not Intrusive where the target vehicle is a taxi or a chauffer driven vehicle such as a public coach service.

3. For the surveillance to be Intrusive rather than just Directed it has got to be undertaken in such a manner as to involve the presence of an individual on the premises or inside the vehicle.

   It is extremely unlikely that local authorities would allow their staff to undertake surveillance by getting inside a private vehicle covertly. This could only be conceivably done if the investigating officer hides in the boot of the target vehicle!

   However, it may be that an officer is stationed inside residential premises to covertly observe drug dealing or anti social behaviour. Whilst normally this kind of conduct is the realm of the police, care must be taken. For example, a keen investigator taking covert pictures from outside a house may decide to jump over the fence and hide in the garden to obtain clearer images.

4. Surveillance can still be Intrusive even if the investigating officer is not on or inside the premises or vehicle but is using a surveillance device such a camera, listening device, recorder or even binoculars.

   However, the words of S.26 (5) should be noted:

   For the purposes of this Part surveillance which—

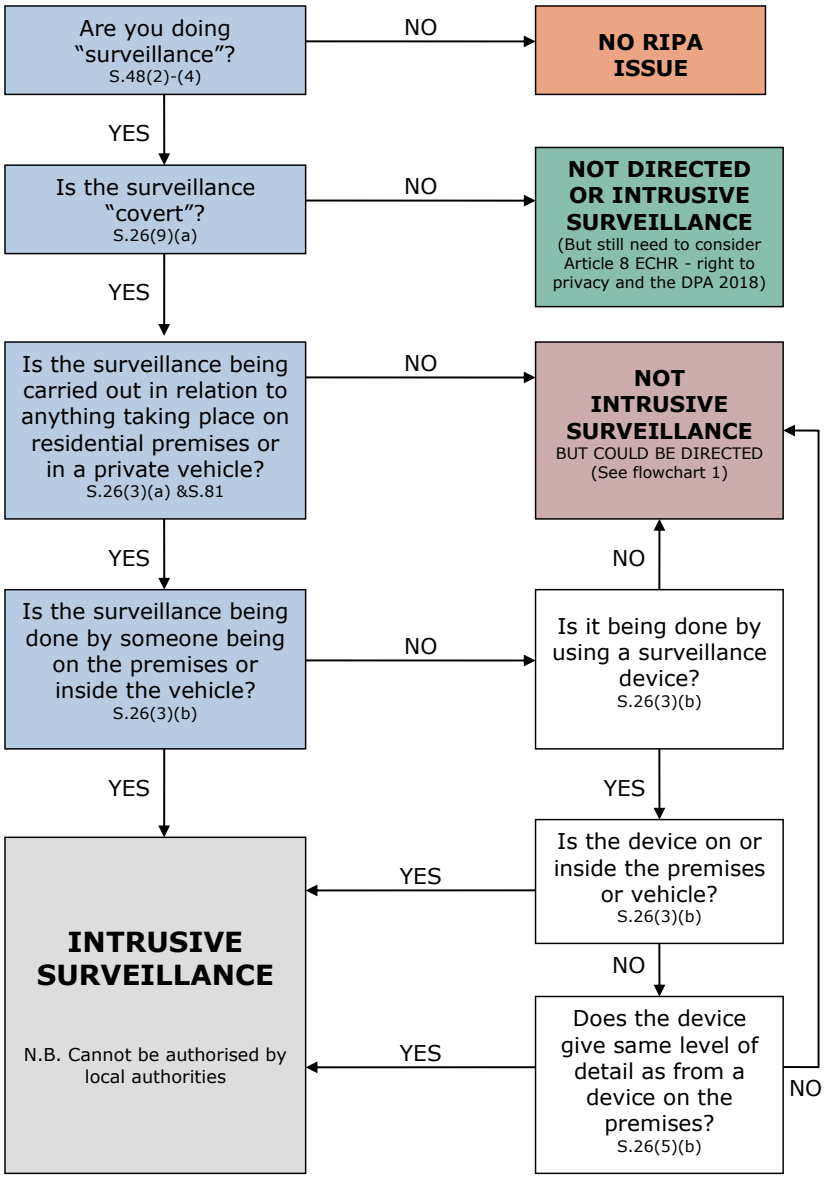
   (a) is carried out by means of a surveillance device in relation to anything taking place on any residential premises or in any private vehicle, but

   (b) is carried out without that device being present on the premises or in the vehicle,

   is not intrusive unless the device is such that it consistently provides information of the same quality and detail as might be expected to be

obtained from a device actually present on the premises or in the vehicle.

Flowchart 2 - Are you doing Intrusive Surveillance?



iii) A Covert Human Intelligence Source (CHIS) This is defined in S.26(8):

"…a person is a covert human intelligence source if -

(a) he establishes or maintains a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within paragraph (b) or (c);

(b) he covertly uses such a relationship to obtain information or to provide access to any information to another person; or

(c) he covertly discloses information obtained by the use of such a relationship, or as a consequence of the existence of such a relationship."

To ascertain whether a person is a CHIS three questions must be asked:

- Is the person establishing or maintain a personal or other relationship with a person?
- Is that relationship being used for a covert purpose?
- Is the covert purpose facilitating the doing of anything falling within paragraph (b) or (c) (above)?

Please consult Flowchart 3 when deciding if your surveillance involves a CHIS.

A CHIS is somebody who is concealing or misrepresenting their true identity or purpose in order to covertly gather or provide access to information from the target. Examples of a CHIS include a private investigator pretending to live on a housing estate to gather evidence of drug dealing or an informant who gives information to Trading Standards about illegal business practices in a factory or shop.

Key Points to Note

1. A public volunteer is not a CHIS. The CHIS Revised Code of Practice(para 2.21) states:

   "In many cases involving human sources, the source will not have established or maintained a relationship for a covert purpose. Many sources provide information that they have observed or acquired other than through a relationship. This means that the source is not a CHIS for the purposes of the 2000 Act and no authorisation is required."

   Care must be taken to ensure that someone who starts off as a public volunteer does not end up being a CHIS.

2. There must be covert use of a relationship to provide access to information or to covertly disclose information. Merely giving a complainant a diary sheet to note comings and goings will not make that person a CHIS.

3. A test purchaser, though technically a CHIS, may not always require authorisation. Please consult the CHIS Revised Code of Practice and the OSC Procedures and Guidance Document for further guidance.

4. The CHIS Revised Code of Practice at paragraphs 4.29 to 4.35 clarifies the position on the use of social media in a potential CHIS context and provides examples:

4.29 Any member of a public authority, or person acting on their behalf, who conducts activity on the internet in such a way that they may interact with others in circumstances where the other parties could not reasonably be expected to know their true identity, should consider whether the activity requires a CHIS authorisation. This applies whether the interaction involves publicly open websites such as online news and social networking service, or more private exchanges such as messaging sites. Where the activity is likely to result in obtaining private information but does not amount to establishing or maintain a CHIS relationship, consideration should be given for a directed surveillance authorisation.

4.30 Where someone, such as an employee or member of the public, is tasked by a public authority to use an internet profile to establish or maintain a relationship with a subject of interest for a covert purpose, or otherwise undertakes such activity on behalf of the public authority, in order to obtain or provide access to information, a CHIS authorisation is likely to be required. For example:

- *An investigator using the internet to engage with a subject of interest at the start of an operation, in order to ascertain information or facilitate a meeting in person.*
- *Directing a member of the public to use their own or another internet profile to establish or maintain a relationship with a subject of interest for a covert purpose.*
- *Joining chat rooms with a view to interacting with a criminal group in order to obtain information about their criminal activities.*

4.31 A CHIS authorisation will not always be appropriate or necessary for online investigation or research. Some websites require a user to register providing personal identifiers (such as name and phone number) before access to the site will be permitted. Where a member of a public authority sets up a false identity for this purpose, this does not in itself amount to establishing a relationship, and a CHIS authorisation would not immediately be required. However, consideration should be given to the need for a directed surveillance authorisation if the conduct is likely to result in the acquisition of private information, and the other relevant criteria are met

4.32 Where a website or social media account requires a minimal level of interaction, such as sending or receiving a friend request before access is permitted, this may not in itself amount to establishing a relationship. Equally, the use of electronic

gestures such as "like" or "follow" to react to information posted by others online would not in itself constitute forming a relationship. However, it should be borne in mind that entering a website or responding on these terms may lead to further interaction with other users and a CHIS authorisation should be obtained if there is an intention to engage in such interaction to obtain, provide access to or disclose information.

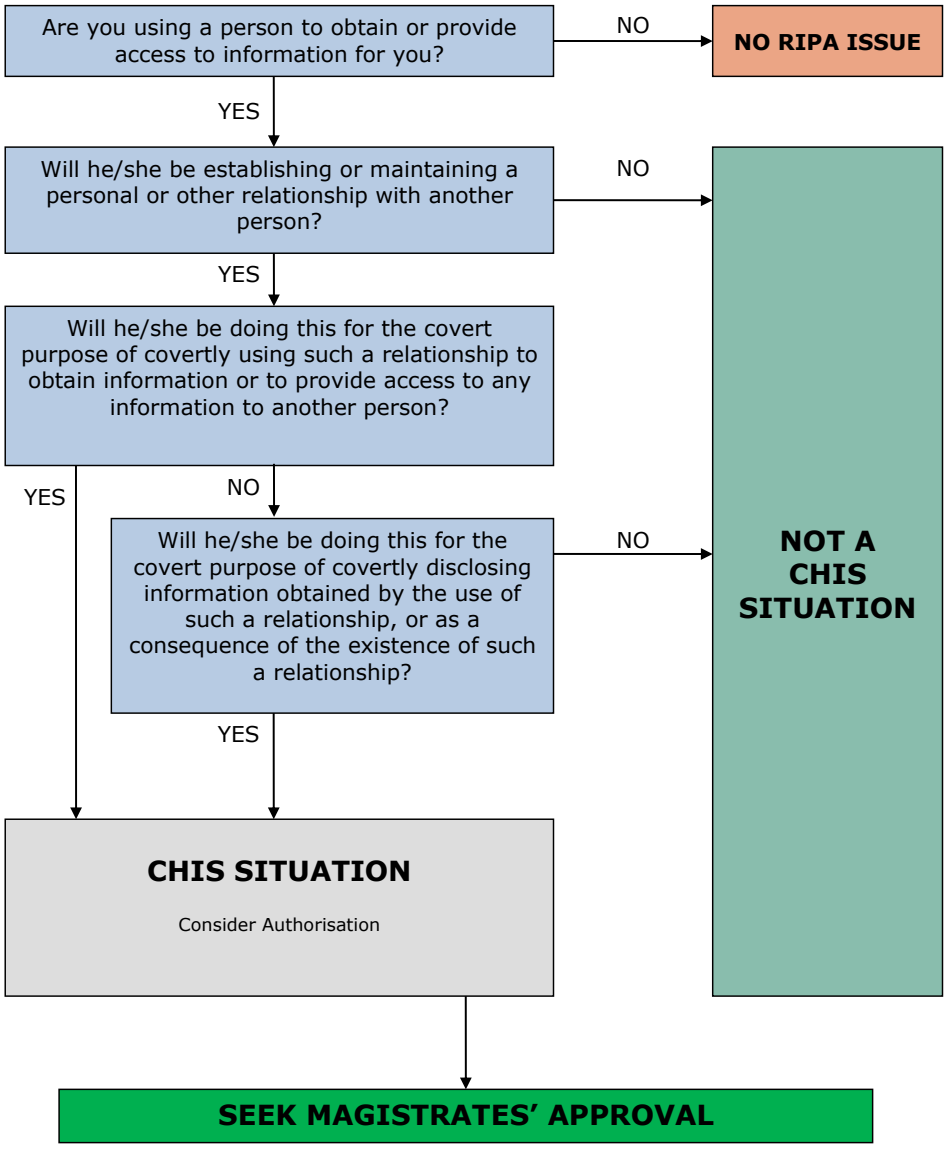
4.33 When engaging in conduct as a CHIS, a member of a public authority should not adopt the identity of a person known, or likely to be known, to the subject of interest or users of the site without considering the need for a CHIS authorisation. Full consideration should be given to the potential risks posed by that activity.

4.34 Where use of the internet is part of the tasking of a CHIS, the risk assessment carried out in accordance with section 7.15 to 7.21 of this code should include consideration of the risks arising from that online activity including factors such as the length of time spent online and the material to which the CHIS may be exposed. This should also take account of any disparity between the technical skills of the CHIS and those of the handler or authorising officer, and the extent to which this may impact on the effectiveness of oversight.

4.35 Where it is intended that more than one officer will share the same online persona, each individual should be clearly identifiable within the overarching authorisation for that operation. The authorization should provide clear information about the conduct required of - and the risk assessments in relation to - each officer involved. (See also paragraph 3.32 to 3.26)

No officer should make repeated visits to the same open source social media site as part of an investigation unless they have first spoken to Assistant Director for Legal Services (Phil Horsfield 01709 254437), the Council's RIPA Coordinator, the Head of Legal Services (Bal Nahal 01709 823661) or the Service Manager for Litigation & Practice (Michelle Scales 01709 823145) to ensure that it is lawful to do so.

Flowchart 3 - Are you deploying a CHIS?



Completing the Forms

Once it is decided what type of surveillance is being undertaken, the appropriate form must be completed and sent to the Authorising Officer for approval. Templates of each form together with notes to assist completion are available at RIPA forms - GOV.UK
The current version of any form must be used, the following forms are available using the above link: -

Application for use of directed surveillance
Renewal form for directed surveillance
Review of use form for directed surveillance
Cancellation of use form for directed surveillance
Forms in relation to CHIS ~~and precedent wording are on the Intranet in the same section on the same page as this Policy (Legal Services, Key Documents).~~

Local authorities do not have the power to make urgent oral authorisations, Therefore, all authorisations, even if urgent, must be made in writing and the relevant judicial approval must be sought.

The Authorising Officer

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 N0.521) states that the Authorising Officer for a local authority can be a Director, Head of Service, Service Manager or equivalent. A list of the Council's Authorising Officers is held by the SRO. All authorising officers will be nominated by their Directorates, as being of sufficient rank and having undertaken appropriate RIPA training. Once the SRO is satisfied that this is the case they will be added to the list of Authorising officers, held by the SRO. The IPCO recommends that authorising officers do not authorise applications for their own service area to maintain independence.

Where the surveillance involves the likelihood of obtaining confidential information or the deployment of juveniles or vulnerable people, then the authorisation has to be sought from the Head of Paid Service or, in his/her absence, the acting Head of Paid Service.

Time Limits

The current time limits for an authorisation are 3 months for Directed Surveillance and 12 months for a CHIS (1 month if the CHIS is underage), beginning with the day when the authorisation granted had taken effect. Where it is anticipated that an authorisation will only be required for a period of time less than three months, authorisations should still be granted for the statutory three month period, this will then be subject to review and cancelled when no longer necessary.

A renewal must be authorised prior to the expiry of the original authorisation, but it runs from the expiry date and time of that original authorisation. Authorisations may be renewed more than once if still considered necessary and proportionate and approved by a Magistrate. Applications for renewals should not be made until shortly before the original authorisation period is due to expire but local authorities must take account of factors, which may delay the renewal process (e.g. intervening weekends or the availability of the relevant local authority authorising officer and a Magistrate to consider the application).

Commented [MS1]: This has been amended based upon feedback from the Inspector to ensure that the up to date forms are being used, they are accessed via the link.

Commented [MS2]: Feedback from the inspector

3. GUIDANCE FOR AUTHORISING OFFICERS

AUTHORISING DIRECTED SURVEILLANCE: RULES AND CRITERIA

Section 27 of RIPA provides a powerful defence if covert surveillance is challenged:

> *"(1) Conduct to which this Part applies shall be lawful for all purposes if -*
> *(a) an authorisation under this Part confers an entitlement to engage in that conduct on the person whose conduct it is; and*
> *(b) his conduct is in accordance with the authorisation."*

To take advantage of this defence, the surveillance needs to be properly authorised. S.28 sets out the criteria for authorising Directed Surveillance, whilst S.29 covers CHIS.

The Authorising Officer

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 N0.521) states that the Authorising Officer for a local authority can be a Director, Head of Service, Service Manager or equivalent. As stated above, a list of the Council's approved Authorising Officers is held by the SRO. A list of the current Authorising Officers is set out in section 6. The IPCO recommends that authorising officers do not authorise applications for their own service area to maintain independence.

Commented [MS3]: Feedback from the inspector

Where the surveillance involves the likelihood of obtaining confidential information or the deployment of juveniles or vulnerable people, then the authorisation has to be sought from the Head of Paid Service or, in his/her absence, the acting Head of Paid Service.

Time Limits

The current time limits for an authorisation are 3 months for Directed Surveillance and 12 months for a CHIS (1 month if the CHIS is underage), beginning with the day when the authorisation granted had taken effect. Where it is anticipated that an authorisation will only be required for a period of time less than three months, authorisations should still be granted for the statutory three month period, this will then be subject to review and cancelled when no longer necessary.

A renewal must be authorised prior to the expiry of the original authorisation, but it runs from the expiry date and time of that original authorisation. Authorisations may be renewed more than once if still considered necessary and proportionate and approved by a Magistrate.

Applications for renewals should not be made until shortly before the original authorisation period is due to expire but local authorities must take account of factors, which may delay the renewal process (e.g. intervening weekends or the availability of the relevant local authority authorising officer and a Magistrate to consider the application).

Authorising Officer's Consideration (Chapter 3, Covert Surveillance and Property Interference Revised Code)

S.28(2) states:

> *"A person shall not grant an authorisation for the carrying out of directed surveillance unless he believes -*
> *(a) that the authorisation is necessary on grounds falling within subsection (3); and*
> *(b) that the authorised surveillance is proportionate to what is sought to be achieved by carrying it out."*

Please consult Flowchart 4 when deciding whether Directed Surveillance should be authorised.

The first question that the Authorising Officer needs to ask is: Is the surveillance necessary? Namely, is it necessary to use directed surveillance in the operation.

The surveillance has to be necessary on one of the grounds set out within in S.28(3). Previously local authorities could authorise Directed Surveillance where it was necessary

> *"for the purpose of preventing or detecting crime or of preventing disorder." (S.28(3)(b))*

The Home Office Review, which reported in January 2011, recommended that where local authorities wish to use Directed Surveillance, this should be confined to cases where the offence under investigation is a serious offence.

This recommendation was put into effect by The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012, SI 2012/1500 which was made in June 2012 and came into force on 1st November 2012. This amends the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010, SI 2010/521 ("the 2010 Order"), which prescribes which officers, within a public authority, have the power to grant authorisations for the carrying out of Directed Surveillance and the grounds, under Section 28(3), upon which authorisations can be granted.

From 1st November 2012, local authority Authorising Officers may not authorise Directed Surveillance unless it is for the purpose of preventing or detecting a criminal offence and it meets the condition set out in New Article 7A(3)(a) or (b) of the 2010 Order. Those conditions are that the criminal offence which is sought to be prevented or detected is punishable, whether on summary conviction or on indictment, by a maximum term of **at least 6 months of imprisonment**, or would constitute an offence under sections 146, 147 or 147A of the Licensing Act 2003 or section 7 of the Children and Young Persons Act 1933. The latter are all offences involving sale of tobacco and alcohol to underage children.

So, what about surveillance being carried out to tackle disorder (e.g. anti-social behaviour)? This can no longer be authorised as Directed Surveillance unless the disorder includes criminal offences satisfying the above criteria.

The second question is: Is the surveillance proportionate to what is sought to be achieved by carrying it out?

Proportionality means ensuring that the surveillance is the least intrusive method to obtain the required information having considered all reasonable alternatives. This requires consideration of not only whether surveillance is appropriate but also the method to be adopted, the duration and the equipment to be used.

The Investigatory Powers Commissioner Office often states in its inspection reports that officers have not properly understood this concept or have not demonstrated compliance within the authorisation form. The Covert Surveillance and Property Interference Revised Code of Practice (para 4.7) requires four aspects to be addressed in the authorisation form:

- balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence;
- explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
- 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;
- evidencing, as far as reasonably practicable, what other methods had been considered and why they were not implemented.

The third question is; can we avoid or minimise collateral intrusion?

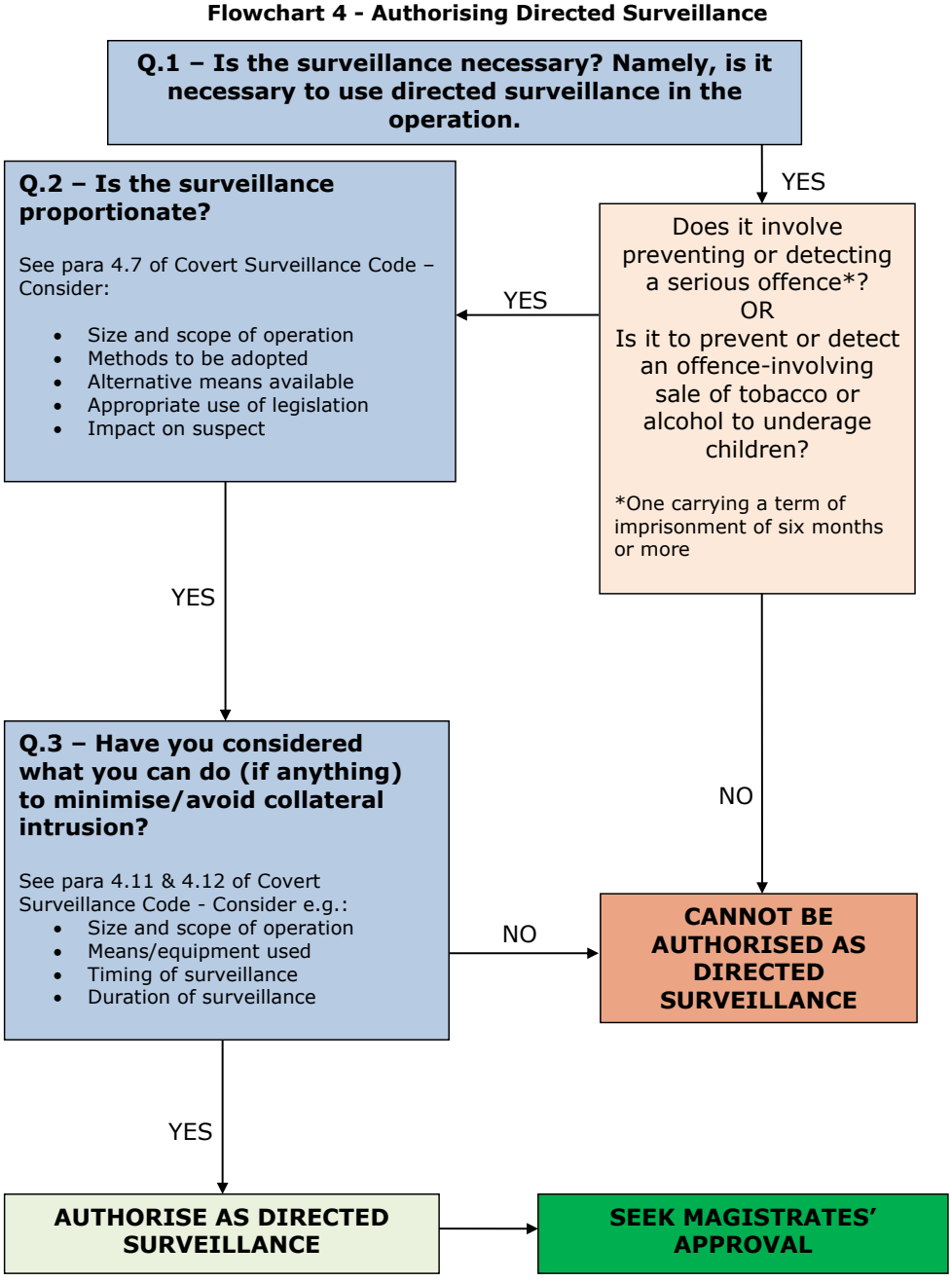
The Authorising Officer will need to carefully consider the likelihood of collateral intrusion occurring. This is the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation or operation. If the risk is significant, measures should be taken, wherever practicable, to avoid or minimise any unnecessary intrusion.

Investigating and Authorising Officers will need to ask themselves:

- What is the impact on third parties? Is it significant?
- If it is, what can be done to avoid or minimise it?
- Have we considered:
    - Changing the timing of the surveillance
    - Reducing the amount of surveillance
    - Changing the method of surveillance
    - The sensitivities of the local community

Surveillance operations by other public authorities - Of course at all times the need to obtain the best evidence to investigate the crime will be paramount.
Next Stage: Once the surveillance has been authorised the next stage is to seek Magistrates' approval. See Section 4 for a detailed explanation of the procedure.

Flowchart 4 - Authorising Directed Surveillance



AUTHORISING A CHIS: RULES AND CRITERIA

Section 27 of RIPA provides a powerful defence if covert surveillance is challenged:

> *"(1) Conduct to which this Part applies shall be lawful for all purposes if -*
> *(a) an authorisation under this Part confers an entitlement to engage in that conduct on the person whose conduct it is; and*
> *(b) his conduct is in accordance with the authorisation."*

To take advantage of this defence, the surveillance needs to be properly authorised. S.28 sets out the criteria for authorising Directed Surveillance, whilst S.29 covers CHIS.

The Authorising Officer

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 N0.521) states that the Authorising Officer for a local authority can be a Director, Head of Service, Service Manager or equivalent.

Where the surveillance involves the likelihood of obtaining confidential information or the deployment of juveniles or vulnerable people, then the authorisation has to be sought from the Head of Paid Service or, in his/her absence, the acting Head of Paid Service. A list of the Council's Authorising Officers is held by the SRO. The IPCO recommends that authorising officers do not authorise applications for their own service area to maintain independence.

Commented [MS4]: Feedback from the inspector

If there is any doubt regarding sufficiency of rank you should contact Legal Services or RIPA Coordinator for advice.

Time Limits

The current time limits for an authorisation are 3 months for Directed Surveillance and 12 months for a CHIS (1 month if the CHIS is underage), beginning with the day when the authorisation granted had taken effect. Where it is anticipated that an authorisation will only be required for a period of time less than three months, authorisation should still be granted for the statutory three month period, this will then be subject to review and cancelled when no longer necessary.

A renewal must be authorised prior to the expiry of the original authorisation, but it runs from the expiry date and time of that original authorisation. Authorisations may be renewed more than once if still considered necessary and proportionate and approved by a Magistrate.

Applications for renewals should not be made until shortly before the original authorisation period is due to expire but local authorities must take account of factors, which may delay the renewal process (e.g. intervening weekends or the availability of the relevant local authority authorising officer and a Magistrate to consider the application).

Authorising Officer's Consideration

S.29(2) states:

"A person shall not grant an authorisation for the conduct or the use of a covert human intelligence source unless he believes-
(a) that the authorisation is necessary on grounds falling within subsection (3);
(b) that the authorised conduct or use is proportionate to what is sought to be achieved by that conduct or use; and
(c) that arrangements exist for the source's case that satisfy the requirements of subsection (5) and such other requirements as may be imposed by order made by the Secretary of State. "

Please consult Flowchart 5 when deciding whether the deployment of a CHIS should be authorised.

Three matters are important to consider before authorising the deployment of a CHIS:

1. Necessity

The deployment of a CHIS has to be necessary on one of the grounds set out within in S.29(3). Local authorities can only authorise on the one ground; where it is necessary:

"for the purpose of preventing or detecting crime or of preventing disorder." (S.29(3)(b))

The matter being investigated must be an identifiable criminal offence or constitute disorder. Unlike Directed Surveillance, the grounds for authorising a CHIS did not change on 1 November 2012.

2. Proportionality

Proportionality means ensuring that the deployment of the CHIS is the least intrusive method to obtain the required information having considered all reasonable alternatives. This requires consideration of not only whether a CHIS is appropriate but also the method to be adopted, the duration and the equipment to be used. The CHIS Revised Code of Practice (para 3.6) requires four aspects to be addressed in the authorisation form:

- balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence;
- explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
- whether the conduct to be authorized will have any implications for the private and family life to others, and an explanation of why (if relevant) it is nevertheless proportionate to proceed;
- considering whether the activity is an appropriate use of the legislation and a reasonable way, having considered all reasonable alternatives, of obtaining the information sought;
- evidencing, as far as reasonably practicable, what other methods had been considered and why they were not implemented or have been implemented unsuccessfully.

3. Security and Welfare Arrangements

CHISs are often placed in difficult and sometimes dangerous situations e.g. an informant on a housing estate in contact with criminal gangs. Appropriate security and welfare arrangements must also be in place in relation to each CHIS. S.29(5) requires there to be:

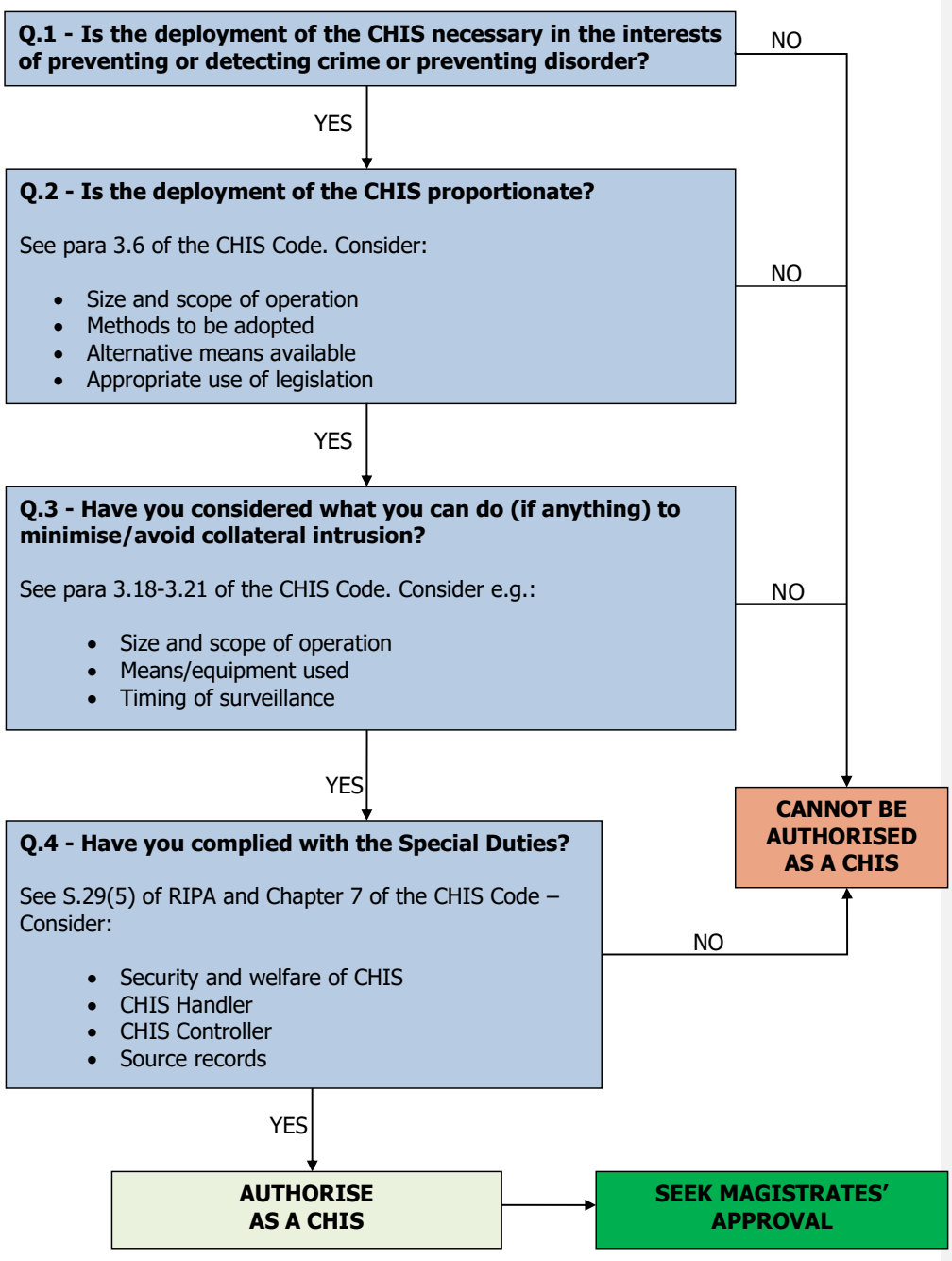
- A person who will have day-to-day responsibility for dealing with the CHIS on behalf of that authority, and for his/her security and welfare;
- A person who will have general oversight of the use made of the CHIS. This person must be different to the one above.
- A person who will maintain a record of the use made of the CHIS. This can be any of the above or a separate person.
- Proper and secure records to keep about the use made of the CHIS.

Risk Assessment: An authorisation for the conduct or use of a CHIS may not be granted or renewed in any case where the source is under the age of eighteen at the time of the grant or renewal, unless a risk assessment has been carried out. This must be sufficient to demonstrate that:

- the nature and magnitude of any risk of physical injury to the CHIS arising in the course of, or as a result of, carrying out the conduct described in the authorisation has been identified and evaluated;
- the nature and magnitude of any risk of psychological distress to the CHIS arising in the course of, or as a result of, carrying out the conduct described in the authorisation has been identified and evaluated;
- the person granting or renewing the authorisation has considered the risk assessment and has satisfied himself that any risks identified in it are justified and, if they are, that they have been properly explained to and understood by the CHIS;

the person granting or renewing the authorisation knows whether the relationship to which the conduct or use would relate is between the CHIS and a relative, guardian or person who has for the time being assumed responsibility for the CHISs welfare, and, if it is, has given particular consideration to whether the authorisation is justified in the light of that fact.

Flowchart 5 - Authorising a CHIS



PROCEDURE FOR COMPLETING THE RIPA FORMS

The standard forms with guidance notes are available at RIPA forms - GOV.UK
The current version of any form must be used, the following forms are available using the above link: -

Application for use of directed surveillance
Renewal form for directed surveillance
Review of use form for directed surveillance
Cancellation of use form for directed surveillance
Forms in relation to CHIS ~~on the intranet, in the same section as this Policy (Legal Services, Key Documents). Each standard Home Office RIPA form is reproduced with guidance notes in dark blue 12 point Calibri font. These forms are the latest versions downloaded from the Home Office RIPA website.~~

The Home Office states that public authorities may use these forms or adapt them, for example to include corporate logos or images or to combine review and renewal, or renewal and cancellation forms. However, if they adapt these forms for their own purposes - to record extra information that is not strictly necessary to ensure and demonstrate compliance with RIPA - that additional local requirement should be indicated as being distinct from the necessary recording of RIPA considerations and decisions. On no account though should the forms be pre completed with standard wording, as each application should be made with the specific circumstances of the investigation in mind.

What to do

1. Decide what types of surveillance you are doing (refer to the guidance in Section 2 of this procedure) and discuss with Legal Services.

2. Use this guidance and associated precedents to complete the appropriate forms. The following documents will also assist in this task:

    a) The Covert Surveillance and Property Interference Revised Code of Practice

    b) The Covert Human Intelligence Sources Revised Code of Practice

    c) The OSC Procedures and Guidance Document – (available from the RIPA Co-coordinator).

3. Once completed, the forms should be sent to the most appropriate authorising Officer for approval. A list of Authorising Officers is available from the SRO.

4. The Authorising Officer should be reminded to read Section 3 of this procedure before completing his/her sections of the form. All authorisation forms should be signed in hard copy by the authorising officer, as opposed to any system of using an electronic signature.

5. If you are seeking a new authorisation or renewing an existing one, remember that it cannot take effect until a Magistrate has approved it. The procedure for this is set out in Section 4 of this document.

6. The original of each completed form (including cancellation forms) should be sent to the RIPA Coordinator who maintains the Council's Central Record of Authorisations, with a copy kept on the operational file.

COMMON MISTAKES IN RIPA FORMS

(Highlighted by the IPOC)

Officers should be aware of the following mistakes when they undertake their respective roles in the RIPA process.

Investigating Officers' Mistakes

- Using of out of date Home Office forms
- Not quoting a unique reference number (URN)
- Copying (cutting and pasting) wording from old authorisation forms
- Failing to give a detailed explanation of what the surveillance will involve
- A surfeit of surveillance tactics and equipment being requested and granted but rarely fully used when reviews and cancellations are examined
- Failing to consider and/or explain the proportionality factors
- Poor and over-formulaic consideration of potential collateral intrusion and how this will be managed
- Failing to consider likelihood of obtaining Confidential Information
- Failing to recognise or be alive to the possibility that someone may have met the CHIS criteria
- Failing to authorise a CHIS promptly as soon as they have met the criteria
- Over-generic risk assessments for a CHIS and not updated to enable the Authorising Officer to identify emergent risks
- Failing to send completed forms to the RIPA Coordinator

Please also read paragraph 4.40 and 4.41 of the Covert Surveillance and Property Interference Revised Code of Practice which sets out best working practices with regard to all applications for authorisations under RIPA.

Authorising Officers' Mistakes

- Too many Authorising Officers within the Authority
- Repetitive narrative and rubber stamping without proper consideration of all the facts set out in the authorisation form
- Not knowing the capability of the surveillance equipment which is being authorised. (For instance, there are differences between video cameras that record continuously and those activated by motion; and between thermal image and infrared capability. These differences may have an important bearing on how a surveillance operation is conducted and the breadth of the authorisation being granted. Therefore, a simple authorisation for 'cameras' is usually insufficient)
- Failing to demonstrate that less intrusive methods have been considered and why they have been discounted in favour of the tactic selected

- Discussions that take place between the Authorising Officer and those charged with the management of the CHIS under section 29(5) of RIPA are not always captured in an auditable manner for later recall or evidence
- At cancellation, a lack of adequate, meaningful update for the Authorising Officer to assess the activity conducted, any collateral intrusion that has occurred, the value of the surveillance and the resultant product; with, often a similarly paltry input by Authorising Officers as to the outcome and how product must be managed
- Failing, when cancelling authorisations, to give directions for the management and storage of the product of the surveillance
- No robust management and quality assurance procedures including no regular audits

4. SEEKING MAGISTRATES' APPROVAL

4. GUIDE TO SEEKING MAGISTRATES' APPROVAL FOR RIPA SURVEILLANCE

Background

Chapter 2 of Part 2 of the Protection of Freedoms Act 2012 (sections 37 and 38) came into force on 1st November 2012. This changes the procedure for the authorisation of local authority surveillance under the Regulation for Investigatory Powers Act 2000 (RIPA).

From 1st November 2012 local authorities are required to obtain the approval of a Justice of the Peace (JP) for the use of any one of the three covert investigatory techniques available to them under RIPA namely Directed Surveillance, the deployment of a Covert Human Intelligence Source (CHIS) and accessing communications data.

An approval is also required if an authorisation to use such techniques is being renewed. In each case, the role of the JP is to ensure that the correct procedures have been followed and the relevant factors have been taken account of. There is no requirement for the JP to consider either cancellations or internal reviews.

Home Office Guidance

The Home Office has published guidance on the Magistrates' approval process both for local authorities and the Magistrates' Court:

http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/local-authority-ripa-guidance/

This guidance is non-statutory but provides advice on how local authorities can best approach these changes in law and the new arrangements that need to be put in place to implement them effectively. It is supplementary to the legislation and to the two statutory Codes of Practice made under RIPA.

For a brief summary of the approval process please see flowchart 6 at the end of this section.

The Magistrates' Approval Process

1. The first stage will be to apply for an internal authorisation in the usual way. Once this has been granted, the local authority will need to contact the local Magistrates' Court to arrange a hearing.
2. 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. Authorisation forms will be quality assured by Legal Services. A member of Legal Services will also attend at the Magistrates Court to present the application.
3. The Home Office suggests that the investigating officer will be best suited to making the application for Judicial Approval, although the Authorising Officer may also want to attend to answer any questions.

4. The local authority will provide the JP with a copy of the original RIPA authorisation. This forms the basis of the application to the JP and should contain all information that is relied upon. In addition, the local authority will provide the JP with two copies of a partially completed judicial application/order form prepared by Legal Services (which is included in the Home Office Guidance) ***(see the next section for an example with notes to assist completion).***

5. The hearing will be in private and heard by a single JP who will read and consider the RIPA authorisation and the judicial application/order form. He/She may have questions to clarify points or require additional reassurance on particular matters. 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.

6. The JP will consider whether he or she is satisfied that, at the time the authorisation was granted or renewed, there were reasonable grounds for believing that the authorisation was necessary and proportionate. He/She will also consider whether there continues to be reasonable grounds. In addition, the JP must be satisfied that the Authorising Officer was of an appropriate level within the local authority and that the authorisation was made in accordance with any applicable legal restrictions (e.g. meets the Serious Crime Test for Directed Surveillance)

7. The order section of the above mentioned form will be completed by the JP and will be the official record of his/her decision. The local authority will need to retain a copy of the form after it has been signed by the JP.

Magistrate's Options

The JP may decide to:-

- ***Approve the grant/renewal of the authorisation***

  The grant/renewal of the authorisation will then take effect and the local authority may proceed to use the surveillance technique mentioned therein. A copy of the order must be kept on the central record of authorisations.

- ***Refuse to approve the grant/renewal of the authorisation on a technicality***

  The RIPA authorisation will not take effect and the local authority may <u>not</u> use the surveillance technique in that case. The authority will need to consider the reasons for the refusal. A technical error in the form may be remedied without the need to go through the internal authorisation process again. The authority can then reapply for Magistrates' approval.

- ***Refuse to approve the grant/renewal and quash the authorisation***

  A JP may refuse to approve the grant or renewal of an authorisation and decide to quash the original authorisation. This may be because he/she believes it is not necessary or proportionate. The RIPA authorisation will not take effect and the local authority may <u>not</u> use the surveillance technique in that case. The JP must not exercise his/her power to quash the authorisation unless the local authority has had at least two business days from the date of the refusal in which to prepare and make further representations to the court.

Appeals

A local authority may only appeal a JP's decision to refuse approval of an authorisation, on a point of law by making an application for Judicial Review in the High Court.

The Investigatory Powers Tribunal (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 finds fault with a RIPA authorisation it has the power to quash the JP's order which approved the grant or renewal of the authorisation. It can also award damages if it believes that an individual's human rights have been violated by the local authority.

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, and 32B

Local Authority: .....

Local Authority Department: .....

Offence under investigation[1]: .....

.....

Address of premises or identity of subject:[2]: .....

.....

Covert technique requested: (tick one and specify details)

Communications Data	
Covert Human Intelligence Source	
Directed Surveillance	

Summary of details[3]

.....
.....
.....
.....
.....
.....
.....
.....
.....

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

Investigating Officer: .....

Authorising Officer: .....

Officer(s) appearing before JP [4]: .....

Address of applicant department: .....

.....

Contact telephone number: .....

Contact email address (optional): .....

Local authority reference: .....

Number of pages: .....

To be completed by local authority

Order overleaf

[5]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.

☐ [6]refuse to approve the grant or renewal of the authorisation/notice.

☐ [7]refuse to approve the grant or renewal and quash the authorisation/notice.

Reasons

.....
.....
.....
.....

Notes

.....
.....
.....
.....

Signed:

Date:

Time:

Full name:

Address of magistrates' court:

5. NOTES TO ASSIST COMPLETION - MAGISTRATES' APPROVAL

Notes to Assist Completion

[1]Insert the offence or disorder that you are investigating. If you are seeking authorisation for Directed Surveillance make sure that the criminal offence you are investigating attracts a maximum custodial sentence of six months or more or relates to the underage sale of alcohol or tobacco (as per the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012.

[2]You may not know the identity of the person in which case you can include a description and/or how they relate to the offence/disorder under investigation.

[3]This forms the basis of the application to the JP and should contain all information that is relied upon. You may wish to set out in brief:

- What information you are seeking from the surveillance
- What the surveillance will involve e.g. covert cameras, CHIS
- How long the surveillance will last

You do no need to go into a lot of detail as this form should have the original authorisation form attached.

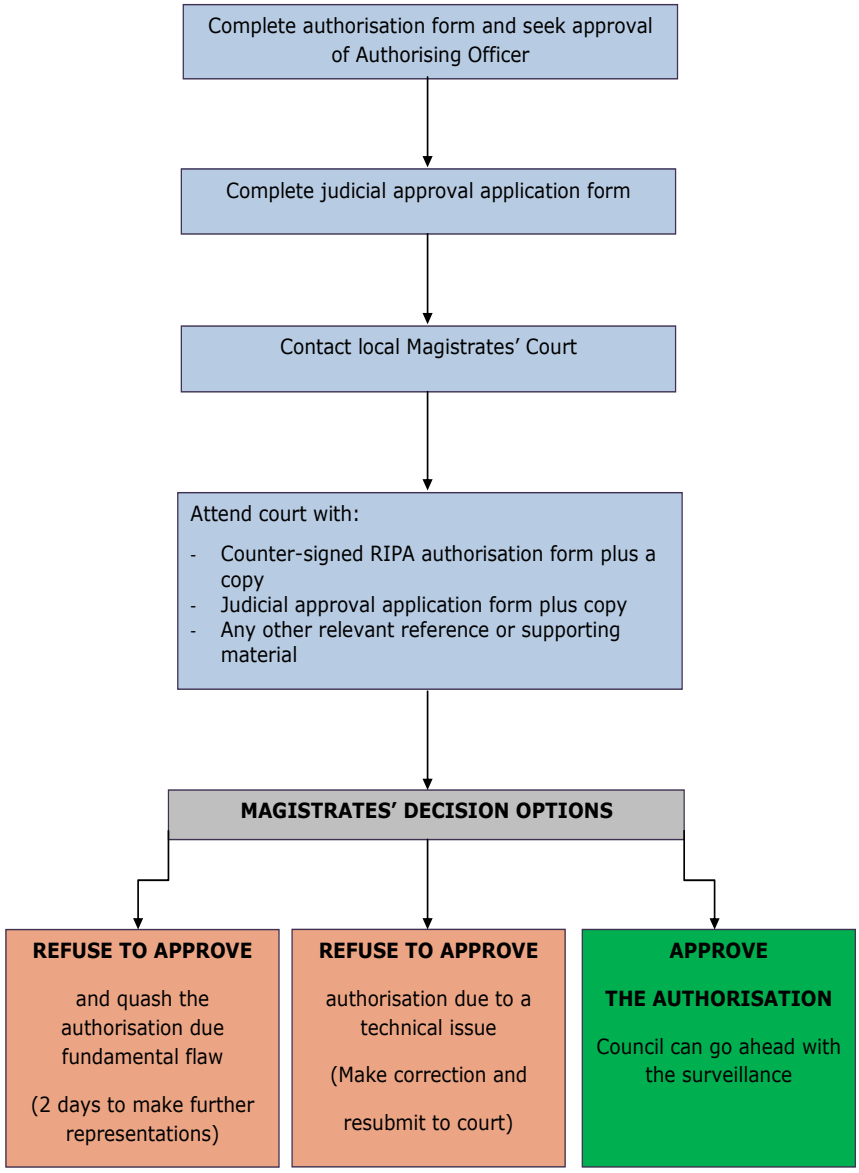
[4] Any officer employed by the Council can appear before the Magistrate. The Home Office suggests that the Investigating Officer is best placed to do this. Make sure that whoever appears is formally designated to do so under section 223 of the Local Government Act 1972. Legal Services will carry out the initial applications.

[5]The order section of this form will be completed by the Magistrate and will be the official record of the Magistrate's decision. The Council will need to retain a copy of the judicial application/order form after it has been signed by the Magistrate. This may be kept with the original authorisation on the Central Record.

[6]If the Magistrate refuses to approve the authorisation, surveillance cannot be undertaken. This may be due to a technical error which can be corrected. Read the reasons for refusal and seek advice from the Legal Dept. and/or RIPA Coordinator with regards to the next steps.

[7]If the Magistrate decides to quash the authorisation, surveillance cannot be undertaken. You will have two days to make further representations. Read the reasons for refusal and seek advice from the Legal Dept and/or RIPA Coordinator with regards to the next steps.

Flowchart 6 - The Magistrates' Approval Process



6. Governance Arrangements & Quality Assurance

Senior Responsible Officer

Pursuant to the revised Code of Practice the Authority's Senior Responsible Officer is the Assistant Director of Legal Services. The Senior Responsible Officer is responsible for:

- the integrity of the process in place within the public authority to authorise directed and intrusive surveillance;
- compliance with the law and the Revised Codes of Practice;
- oversight of the reporting of errors to the Investigatory Powers Commissioner and the identification of both the cause(s) of errors and the implementation of processes to minimise repetition of errors;
- engagement with the Investigatory Powers Commissioner and inspectors who support the Commissioner when they conduct their inspections;
- where necessary, overseeing the implementation of any post-inspection action plans recommended or approved by a Judicial Commissioner, and
- ensuring that all authorising officers are of an appropriate standard, addressing any recommendations and concerns in the inspection reports prepared by the Investigatory Powers Commissioner.

The current list of Authorising officers is as follows:

Sam Barstow (Assistant Director of Community Safety and Street Scene)
Lewis Coates (Service Manager for Regulation and Enforcement)
Alan Pogorzelec (Licensing Manager)
Louise Ivens (Head of Internal Audit)

The SRO will maintain an up to date list of Authorising officers which accurately reflects any changes to personnel and Authorising officers between the annual settings of this policy by elected members. The SRO also regularly monitors the quality of the authorisations forms which are completed, in conjunction with the RIPA Coordinator as part of the overall Quality Assurance process.

Members Oversight

Pursuant to the Covert Surveillance and Property Interference Revised Code of Practice at paragraph 4.47 elected members of a local authority should review the authority's use of the Act and set the policy at least once a year. They should also consider internal reports on use of the Act on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose. This is done by means of six monthly reports to the Audit Committee.

Quality Assurance

Quality Assurance will be provided on an ongoing basis by Legal Services who will review and assess all forms as part of the Judicial Approval application process. Feedback will be given directly to relevant officers, with wider feedback given and changes to the Policy made if necessary.

Monitoring and Quality Control

In addition to the Quality Assurance set out above as part of the Judicial Approval application process, the RIPA Coordinator will monitor on receipt the authorisation, renewal, review and cancellations forms which are submitted for the Central Register. Any issues arising from these forms will be brought to the attention of the applying and authorising officer.

The RIPA Co-ordinator

The RIPA Coordinator for Rotherham is Bal Nahal, Head of Legal Services.

Contact details are:-

Phone: 01709 823661
E-mail: bal.nahal@rotherham.gov.uk

The RIPA Coordinator will maintain a register centrally of all authorisations, refusals, reviews, renewals and cancellations. As part of the Judicial Approval application the RIPA Coordinator will monitor the authorisation forms submitted. Further the RIPA Coordinator will monitor on receipt all renewal, review and cancellation forms which are submitted for the Central Register. Any issues arising out of these forms will be brought immediately to the attention of the applying and authorising officer.

IT IS IMPORTANT that all Services keep the RIPA Coordinator updated on all or any changes to authorisation forms.

The RIPA Co-ordinator will keep the records for 5 years to comply with Home Office guidance.

The further responsibilities of the RIPA Coordinator are:-

a) Oversight of the submitted RIPA documentation
b) Organising a RIPA training programme
c) Raising RIPA awareness within the Council

Storage of Authorisation Forms

Each Assistant Director whose department conducts surveillance is responsible for organising sufficient systems within their service in respect of the storage of files and associated RIPA forms.

Copies of the forms should be retained on the operational file for the investigation. The RIPA Coordinator should be sent originals of all authorisations, refusals, reviews, cancellations and renewals of authorisations to satisfy Home Office Code of Practice recommendations.

The following should also be kept by the authorising officer. There is no requirement for this to form part of the central register maintained by the RIPA Coordinator (although pursuant to the current arrangements the originals of forms will be kept by the RIPA Coordinator):-

- the original forms of application, authorisation and supplementary documentation and notification of approval given by the authorising officer.
- a record of the period over which the surveillance has taken place
- frequency of reviews prescribed by the authorising officer
- a record of the result of each review of an authorisation
- a copy of any renewal of an authorisation, and supporting documentation submitted when it was requested.
- the date and time any instruction was given by the authorising officer.

THE OVERSIGHT OF RIPA

RIPA is overseen by surveillance commissioners. They are tasked to ensure that RIPA is being applied properly. Inspections can be carried out at regular intervals.

Also, any person aggrieved by the way a local authority carries out covert surveillance as defined by RIPA can make a complaint to the Investigatory Powers Tribunal under the Act for redress within a year of the act complained of or any longer period that the tribunal thinks it just and equitable to allow.

This tribunal can quash any authorisation and can order the destruction of information held or obtained in pursuit of it. It can also award damages if it believes that an individual's human rights have been violated by the local authority.

ROTHERHAM BOROUGH COUNCIL

RIPA Policy

July 2026

INDEX

ROTHERHAM BOROUGH COUNCIL

1. COVERT SURVEILLANCE POLICY STATEMENT

Introduction

1. Rotherham Borough Council ("the Council") is committed to building a fair and safe community for all by ensuring the effectiveness of laws designed to protect individuals, businesses, the environment and public resources.

2. The Council recognises that most organisations and individuals appreciate the importance of these laws and abide by them. The Council will use its best endeavours to help them meet their legal obligations without unnecessary expense and bureaucracy.

3. At the same time the Council has a legal responsibility to ensure that those who seek to flout the law are the subject of firm but fair enforcement action. Before taking such action, the Council may need to undertake covert surveillance of individuals and/or premises to gather evidence of illegal activity.

Procedure

4. All covert surveillance shall be undertaken in accordance with the procedures set out in this document.

5. The Council shall ensure that covert surveillance is only undertaken where it complies fully with all applicable laws in particular the:-

   - Human Rights Act 1998
   - Regulation of Investigatory Powers Act 2000 ("RIPA")
   - Protection of Freedoms Act 2012
   - Data Protection Act 2018

6. The Council shall, in addition, have due regard to all official guidance and codes of practice particularly those issued by the Home Office, the Investigatory Powers Commissioner's Office, the Surveillance Camera Commissioner and the Information Commissioner.

7. In particular the following guiding principles shall form the basis of all covert surveillance activity undertaken by the Council:

   - Covert surveillance shall only be undertaken where it is absolutely necessary to achieve the desired aims.

   - Covert surveillance shall only be undertaken where it is proportionate to do so and in a manner that it is proportionate.

   - Adequate regard shall be had to the rights and freedoms of those who are not the target of the covert surveillance.

- All authorisations to carry out covert surveillance shall be granted by appropriately trained and designated authorising officers. A list of those authorising officers who have been nominated by their Directorate and have undertaken appropriate training is held by the Senior Responsible Officer (SRO).
- Covert surveillance which is regulated by RIPA shall only be undertaken after obtaining judicial approval following (Magistrates Approval).
- The operation of this Policy and Procedure will be overseen by the SRO, whose role is described later in this document.

Training and Review

8. All Council officers undertaking and authorising covert surveillance shall be appropriately trained to ensure that they understand their legal and moral obligations.

9. Quality Assurance checks shall be carried out by the Solicitor with conduct of a specific case and the RIPA Co-ordinator to ensure that officers are complying with this policy when the authorisation forms are forwarded to Legal Services for the Judicial Approval applications. All other forms – Renewals, Review, and Cancellation forms are submitted to the RIPA Coordinator who will collate the forms for the Central Record.

10. This policy shall be reviewed at least once a year in the light of the latest legal developments and changes to official guidance and codes of practice.

11. The operation of this policy shall be overseen by the Council's Audit Committee by receiving reports on a 12 monthly basis to ensure that the RIPA powers are being used consistently with this policy.

Conclusion

12. All citizens will reap the benefits of this policy, through effective enforcement of criminal and regulatory legislation and the protection that it provides.

13. Adherence to this policy will minimise intrusion into citizens' lives and will avoid any legal challenge to the Council's covert surveillance activities.

14. An electronic copy of this Policy can be found on the Council's Intranet on the Key Documents section of the Legal Services page.

15. Any questions relating to this policy should be addressed to:

Contact: Phil Horsfield, Assistant Director for Legal Services (Senior Responsible Officer) – 01709 254437
Bal Nahal, Head of Legal Services (RIPA Coordinator) – 01709 823661
Michelle Scales, Service Manager for Litigation & Practice – 01709 823145

2. GUIDE TO SURVEILLANCE REGULATED BY PART 2 OF RIPA

Part 2 of RIPA sets out a regulatory framework for the use of covert investigatory techniques by public authorities to ensure that they are compatible with the European Convention of Human Rights (ECHR), particularly Article 8, the right to respect for private and family life. The purpose of this part of the procedure is to help you decide what type of surveillance you are doing and whether it is regulated by Part 2.

The Law

- The Regulation of Investigatory Powers Act 2000
  http://www.legislation.gov.uk/ukpga/2000/23/contents

- RIPA Explanatory Notes
  http://www.legislation.gov.uk/ukpga/2000/23/notes/contents

- Covert Surveillance and Property Interference Statutory Code of Practice (Revised December 2022, Updated February 2024)
  https://www.gov.uk/government/publications/covert-surveillance-and-covert-human-intelligence-sources-codes-of-practice

- Covert Human Intelligence Sources Statutory Code of Practice [Revised December 2022]
  https://www.gov.uk/government/publications/covert-human-intelligence-sources-code-of-practice-2022

- SI 2010 N0.521 - Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010
  http://www.legislation.gov.uk/uksi/2010/521/pdfs/uksi_20100521_en.pdf

- SI 2012 No.1500 (The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012)
  http://www.legislation.gov.uk/uksi/2012/1500/pdfs/uksi_20121500_en.pdf

The Surveillance Techniques which Local Authorities may authorise

Part 2 of RIPA allows local authorities to authorise two out of the three techniques it regulates i.e. the use of directed surveillance and covert human intelligence sources. The first issue for any local authority officer, considering undertaking covert surveillance is: **is it something that can be authorised under RIPA?**

Let us consider the definitions of the different types of surveillance regulated by Part 2 of RIPA:

1. Directed Surveillance
2. Intrusive Surveillance
3. Covert Human Intelligence Source (CHIS

i) **Directed Surveillance**: This is defined in S.26(2) of the Act:

"Subject to subsection (6), surveillance is directed for the purposes of this Part if it is covert but not intrusive and is undertaken –

(a) for the purposes of a specific investigation or a specific operation;

(b) in such a manner as is likely to result in the obtaining of private information about a person (whether or not one specifically identified for the purposes of the investigation or operation); and

(c) otherwise than by way of an immediate response to events or circumstances the nature of which is such that it would not be reasonably practicable for an authorisation under this Part to be sought for the carrying out of the surveillance."

Typically, local authorities may use Directed Surveillance when investigating benefit fraud, trading standards offences or serious environmental crime or antisocial behaviour. This may involve covertly filming or following an individual or monitoring their activity in other ways.

Before undertaking any covert surveillance activity an investigating officer must ask (and have an affirmative answer to) six questions before the activity can be classed as Directed Surveillance:

- Is the surveillance, actually "surveillance" as defined by the Act?
- Will it be done covertly?
- Is it for a specific investigation or a specific operation?
- Is it likely to result in the obtaining of private information about a person?
- Will it be done, otherwise than by way of an immediate response to events?

Please consult Flowchart 1 when deciding if your surveillance is Directed.

Key Points to Note

1. General observations do not constitute Directed Surveillance. The Covert Surveillance Revised Code of Practice (para 3.33) states:

   "The general observation duties of many law enforcement officers and other public authorities do not require authorisation under the 2000 Act, whether covert or overt. Such general observation duties frequently form part of the legislative functions of public authorities, as opposed to the pre-planned surveillance of a specific person or group of people. General observation duties may include monitoring of publicly accessible areas of the internet in circumstances where it is not part of a specific investigation or operation."

2. Surveillance is only Directed if it is covert. S.26(9)(a) states:

"Surveillance is covert if, and only if, it is carried out in a manner that is calculated to ensure that persons who are subject to the surveillance are unaware that it is or may be taking place;"

This requires investigating officers to consider the manner in which the surveillance is going to be undertaken. If it is done openly, without making any attempt to conceal it or a warning letter is served on the target before the surveillance is done, then it will not be covert.

3. The definition of "private information" is very wide. The Covert Surveillance and Property Interference Revised Code of Practice at paragraphs 3.3 to 3.6 states:

3.3 The 2000 Act states that private information includes any information relating to a person's private or family life10. As a result, private information is capable of including any aspect of a person's private or personal relationship with others, such as family11 and professional or business relationships. Information which is non-private may include publicly available information such as books, newspapers, journals, TV and radio broadcasts, newswires, web sites, mapping imagery, academic articles, conference proceedings, business reports, and more. Such information may also include commercially available data where a fee may be charged, and any data which is available on request or made available at a meeting to a member of the public. Non-private data will also include the attributes of inanimate objects such as the class to which a cargo ship belongs.

3.4 Whilst a person may have a reduced expectation of privacy when in a public place, covert surveillance of that person's activities in public may still result in the obtaining of private information. This is likely to be the case where that person has a reasonable expectation of privacy even though acting in public and where a record is being made by a public authority of that person's activities for future consideration or analysis.12 Surveillance of publicly accessible areas of the internet should be treated in a similar way, recognising that there may be an expectation of privacy over information which is on the internet, particularly where accessing information on social media websites. See paragraphs 3.10 to 3.17 below for further guidance about the use of the internet as a surveillance tool.

3.5 Private life considerations are particularly likely to arise if several records are to be analysed together in order to establish, for example, a pattern of behaviour, or if one or more pieces of information (whether or not available in the public domain) are covertly (or in some cases overtly) obtained for the purpose of making a permanent record about a person or for subsequent data processing to generate further information. In such circumstances, the totality of information gleaned may constitute private information even if individual records do not. Where such

conduct includes covert surveillance, a directed surveillance authorisation may be considered appropriate.

3.6 Private information may include personal data, such as names, telephone numbers and address details. Where such information is acquired by means of covert surveillance of a person having a reasonable expectation of privacy, a directed surveillance authorisation is appropriate.

4. Where covert surveillance needs to be done in an emergency and there is no time (or no Authorising Officer available) to authorise the activity, the surveillance can still be done. It will not constitute Directed Surveillance. The Covert Surveillance and Property Interference Revised Code of Practice (para 3.32) states:

"Covert surveillance that is likely to reveal private information about a person but is carried out by way of an immediate response to events such that it is not reasonably practicable to obtain an authorisation under the 2000 Act, would not require a directed surveillance authorisation. The 2000 Act is not intended to prevent law enforcement officers fulfilling their legislative functions. To this end section 26(2)(c) of the 2000 Act provides that surveillance is not directed surveillance when it is carried out by way of an immediate response to events or circumstances the nature of which is such that it is not reasonably practicable for an authorisation to be sought for the carrying out of the surveillance."

5. If the Council authorises a non-employee (e.g. an enquiry agent) to conduct covert surveillance then that person/company is acting as an agent for the Council. The Authorising Officer must ensure that the person/company is competent and they have provided a written acknowledgment that they are an agent of the Council and will comply with the authorisation.

6. The Covert Surveillance and Property Interference Revised Code of Practice at paragraphs 3.10 to 3.17 clarifies the position on the use of social media for surveillance and provides examples:

3.10 The growth of the internet, and the extent of the information that is now available online, presents new opportunities for public authorities to view or gather information which may assist them in preventing or detecting crime or carrying out other statutory functions, as well as in understanding and engaging with the public they serve. It is important that public authorities are able to make full and lawful use of this information for their statutory purposes. Much of it can be accessed without the need for RIPA authorisation; use of the internet prior to an investigation should not normally engage privacy considerations. But if the study of an individual's online presence becomes persistent, or where material obtained from any check is to be extracted and recorded and may engage privacy considerations, RIPA authorisations may need to be

considered. The following guidance is intended to assist public authorities in identifying when such authorisations may be appropriate.

3.11 The internet may be used for intelligence gathering and/or as a surveillance tool. Where online monitoring or investigation is conducted covertly for the purpose of a specific investigation or operation and is likely to result in the obtaining of private information about a person or group, an authorisation for directed surveillance should be considered, as set out elsewhere in this code. Where a person acting on behalf of a public authority is intending to engage with others online without disclosing his or her identity, a CHIS authorisation may be needed (paragraphs 4.10 to 4.16 of the Covert Human Intelligence Sources code of practice provide detail on where a CHIS authorisation may be available for online activity

3.12 In deciding whether online surveillance should be regarded as covert, consideration should be given to the likelihood of the subject(s) knowing that the surveillance is or may be taking place. Use of the internet itself may be considered as adopting a surveillance technique calculated to ensure that the subject is unaware of it, even if no further steps are taken to conceal the activity. Conversely, where a public authority has taken reasonable steps to inform the public or particular individuals that the surveillance is or may be taking place, the activity may be regarded as overt and a directed surveillance authorisation will not normally be available.

3.13 As set out in paragraph 3.14 below, depending on the nature of the online platform, there may be a reduced expectation of privacy where information relating to a person or group of people is made openly available within the public domain, however in some circumstances privacy implications still apply. This is because the intention when making such information available was not for it to be used for a covert purpose such as investigative activity. This is regardless of whether a user of a website or social media platform has sought to protect such information by restricting its access by activating privacy settings.

3.14 Where information about an individual is placed on a publicly accessible database, for example the telephone directory or Companies House, which is commonly used and known to be accessible to all, they are unlikely to have any reasonable expectation of privacy over the monitoring by public authorities of that information. Individuals who post information on social media networks and other websites whose purpose is to communicate messages to a wide audience are also less likely to hold a reasonable expectation of privacy in relation to that information.

3.15 Whether a public authority interferes with a person's private life includes a consideration of the nature of the public authority's activity in relation to that information. Simple reconnaissance of such sites (i.e. preliminary examination with a view to establishing whether the site or its contents are of interest) is unlikely to interfere with a person's reasonably

held expectation of privacy and therefore is not likely to require a directed surveillance authorisation. But where a public authority is systematically collecting and recording information about a particular person or group, a directed surveillance authorisation should be considered. These considerations apply regardless of when the information was shared online. See also paragraph 3.

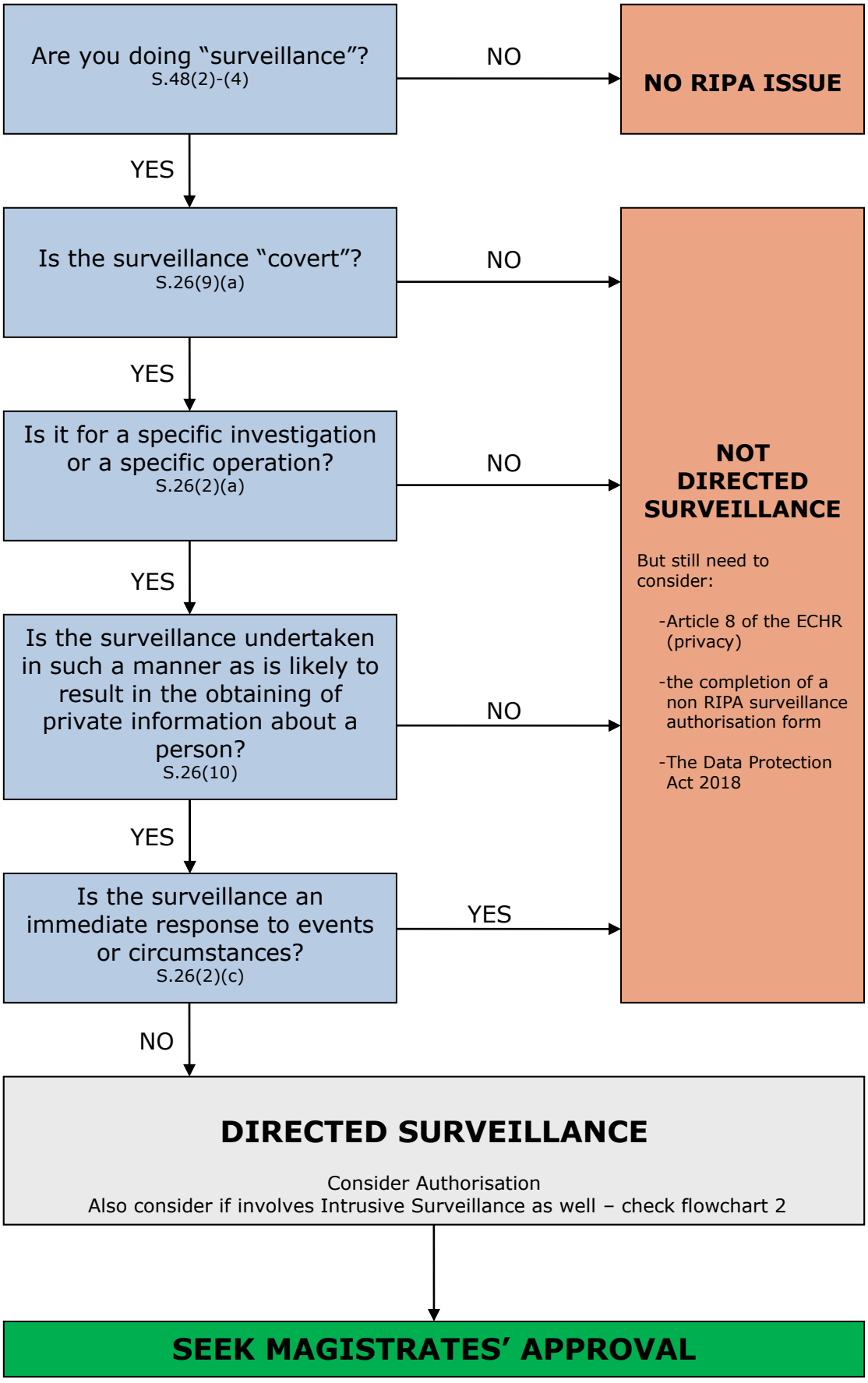
3.16 In order to determine whether a directed surveillance authorisation should be sought for accessing information on a website as part of a covert investigation or operation, it is necessary to look at the intended purpose and scope of the online activity it is proposed to undertake. Factors that should be considered in establishing whether a directed surveillance authorisation is required include:

- *Whether the investigation or research is directed towards an individual or organisation;*
- *Whether it is likely to result in obtaining private information about a person or group of people (taking account of the guidance at paragraph 3.6 above);*
- *Whether it is likely to involve visiting internet sites to build up an intelligence picture or profile;*
- *Whether the information obtained will be recorded and retained;*
- *Whether the information is likely to provide an observer with a pattern of lifestyle;*
- *Whether the information is being combined with other sources of information or intelligence, which amounts to information relating to a person's private life;*
- *Whether the investigation or research is part of an ongoing piece of work involving repeated viewing of the subject(s);*
- *Whether it is likely to involve identifying and recording information about third parties, such as friends and family members of the subject of interest, or information posted by third parties, that may include private information and therefore constitute collateral intrusion into the privacy of these third parties.*

3.17 Internet searches carried out by a third party on behalf of a public authority, or with the use of a search tool, may still require a directed surveillance authorisation (see paragraph 4.32).

No officer should make repeated visits to the same open source social media site as part of an investigation unless they have first spoken to the Assistant Director for Legal Services (Phil Horsfield 01709 254437), the Council's RIPA Coordinator, the Head of Legal Services (Bal Nahal 01709 823661) or the Service Manager for Litigation & Practice (Michelle Scales 01709 823145) to ensure that it is lawful to do so.

Flowchart 1 - Are you conducting Directed Surveillance?



ii) **Intrusive Surveillance**: S.26(3) states:

"Subject to subsections (4) to (6), surveillance is intrusive for the purposes of this Part if, and only if, it is covert surveillance that—

(a) is carried out in relation to anything taking place on any residential premises or in any private vehicle; and

(b) involves the presence of an individual on the premises or in the vehicle or is carried out by means of a surveillance device. "

As the name suggests, this type of surveillance is much more intrusive and so the legislation is framed in a way as to give greater protection to the citizen when it is used. Applications to carry out Intrusive Surveillance can only be made by the senior Authorising Officer of those public authorities listed in or added to S.32(6) of the Act or by a member or official of those public authorities listed in or added to section 41(l). **Local authorities are not listed therein and so cannot authorise such Intrusive Surveillance.**

It is still important for investigating officers to understand the definition of Intrusive Surveillance in order for them to be able to ensure that Directed Surveillance does not inadvertently extend into Intrusive Surveillance. The following issues should be considered in each case:

- Is it Covert Surveillance as defined by the Act?
- Is it being carried out in relation to anything taking place on any residential premises or in any private vehicle?
- Does it involve the presence of an individual on the premises or in the vehicle?
- Is it being carried out by means of a surveillance device on the premises or in the vehicle?

Please consult Flowchart 2 when deciding if your surveillance is Intrusive.

Key Points to Note

1. When doing covert surveillance of premises it can only be Intrusive if it is carried out in relation to anything taking place on residential premises. This is defined in S.48(1):

   "residential premises" means (subject to subsection (7)(b)) so much of any premises as is for the time being occupied or used by any person, however temporarily, for residential purposes or otherwise as living accommodation (including hotel or prison accommodation that is so occupied or used);"

   Environmental health officers doing covert surveillance of takeaways, restaurants and shops will not be doing Intrusive Surveillance. Care must be taken though where a shop also contains living quarters and covert filming may capture images of people in those quarters. Other examples of residential premises include flats, hotel rooms, caravans and even boats, which are used as living quarters. Care must be taken

in such situations to avoid the accusation that unauthorised Intrusive Surveillance was carried out.
Paragraphs 3.23 to 3.26 of the Covert Surveillance and Property Interference Revised Code of Practice provides examples of premises that would and would not be regarded as residential premises.

2. Not all surveillance of vehicles is Intrusive; the target has to be a private vehicle as defined in S.48(1):

"private vehicle" means (subject to subsection (7)(a)) any vehicle which is used primarily for the private purposes of the person who owns it or of a person otherwise having the right to use it;"

The vehicle can be owned, borrowed, rented or leased. However (by virtue of S.48 (7) (a)) surveillance is not Intrusive where the target vehicle is a taxi or a chauffer driven vehicle such as a public coach service.

3. For the surveillance to be Intrusive rather than just Directed it has got to be undertaken in such a manner as to involve the presence of an individual on the premises or inside the vehicle.

It is extremely unlikely that local authorities would allow their staff to undertake surveillance by getting inside a private vehicle covertly. This could only be conceivably done if the investigating officer hides in the boot of the target vehicle!

However, it may be that an officer is stationed inside residential premises to covertly observe drug dealing or anti social behaviour. Whilst normally this kind of conduct is the realm of the police, care must be taken. For example, a keen investigator taking covert pictures from outside a house may decide to jump over the fence and hide in the garden to obtain clearer images.

4. Surveillance can still be Intrusive even if the investigating officer is not on or inside the premises or vehicle but is using a surveillance device such a camera, listening device, recorder or even binoculars.

However, the words of S.26 (5) should be noted:

For the purposes of this Part surveillance which—

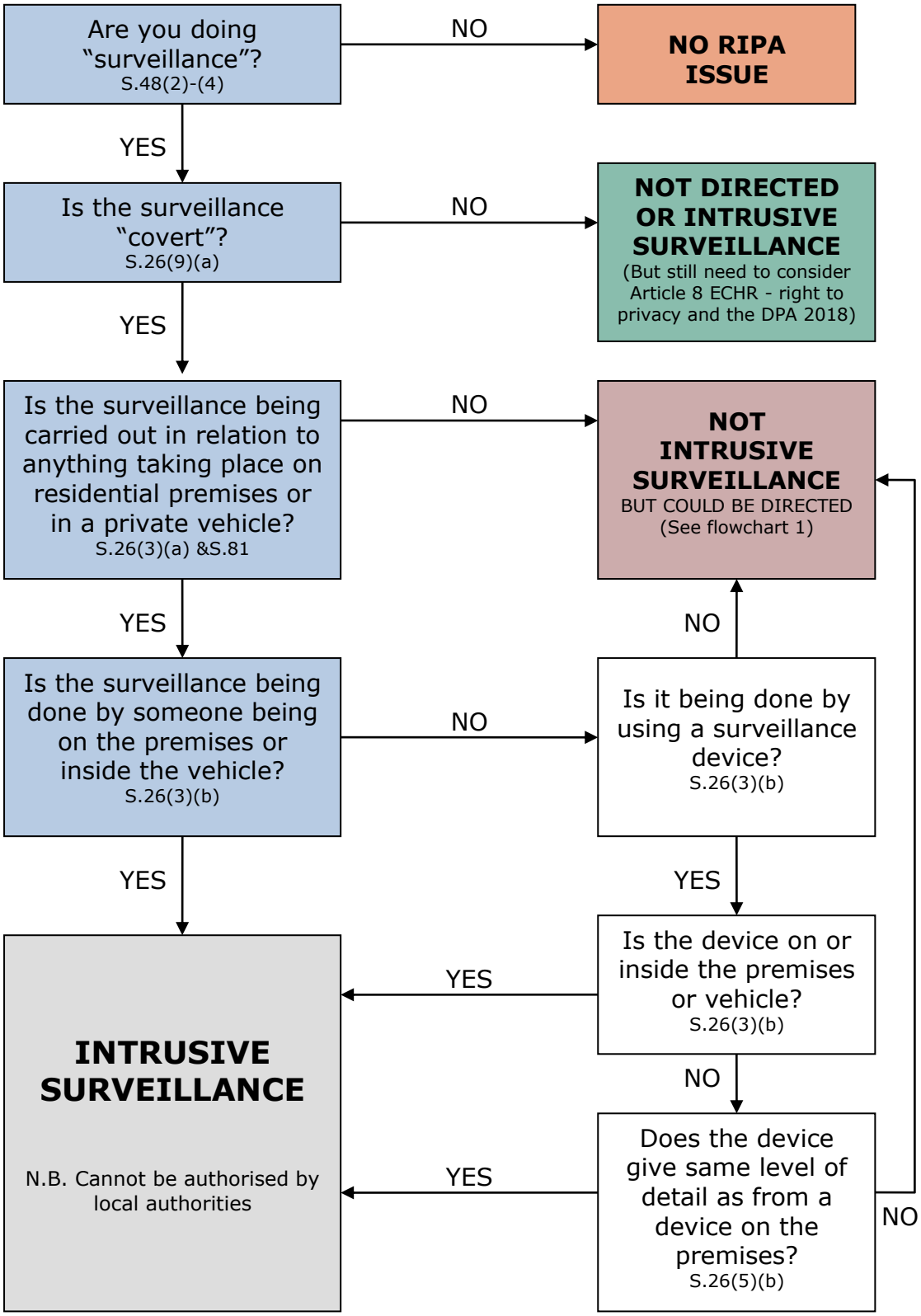
(a) is carried out by means of a surveillance device in relation to anything taking place on any residential premises or in any private vehicle, but

(b) is carried out without that device being present on the premises or in the vehicle,

is not intrusive unless <u>the device is such that it consistently provides information of the same quality and detail as might be expected to be</u>

obtained from a device actually present on the premises or in the vehicle.

Flowchart 2 - Are you doing Intrusive Surveillance?



iii) A Covert Human Intelligence Source (CHIS) This is defined in S.26(8):

"…a person is a covert human intelligence source if -

(a) he establishes or maintains a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within paragraph (b) or (c);

(b) he covertly uses such a relationship to obtain information or to provide access to any information to another person; or

(c) he covertly discloses information obtained by the use of such a relationship, or as a consequence of the existence of such a relationship."

To ascertain whether a person is a CHIS three questions must be asked:

- Is the person establishing or maintain a personal or other relationship with a person?
- Is that relationship being used for a covert purpose?
- Is the covert purpose facilitating the doing of anything falling within paragraph (b) or (c) (above)?

Please consult Flowchart 3 when deciding if your surveillance involves a CHIS.

A CHIS is somebody who is concealing or misrepresenting their true identity or purpose in order to covertly gather or provide access to information from the target. Examples of a CHIS include a private investigator pretending to live on a housing estate to gather evidence of drug dealing or an informant who gives information to Trading Standards about illegal business practices in a factory or shop.

Key Points to Note

1. A public volunteer is not a CHIS. The CHIS Revised Code of Practice(para 2.21) states:

   "In many cases involving human sources, the source will not have established or maintained a relationship for a covert purpose. Many sources provide information that they have observed or acquired other than through a relationship. This means that the source is not a CHIS for the purposes of the 2000 Act and no authorisation is required."

   Care must be taken to ensure that someone who starts off as a public volunteer does not end up being a CHIS.

2. There must be covert use of a relationship to provide access to information or to covertly disclose information. Merely giving a complainant a diary sheet to note comings and goings will not make that person a CHIS.

3. A test purchaser, though technically a CHIS, may not always require authorisation. Please consult the CHIS Revised Code of Practice and the OSC Procedures and Guidance Document for further guidance.

4. The CHIS Revised Code of Practice at paragraphs 4.29 to 4.35 clarifies the position on the use of social media in a potential CHIS context and provides examples:

4.29 Any member of a public authority, or person acting on their behalf, who conducts activity on the internet in such a way that they may interact with others in circumstances where the other parties could not reasonably be expected to know their true identity, should consider whether the activity requires a CHIS authorisation. This applies whether the interaction involves publicly open websites such as online news and social networking service, or more private exchanges such as messaging sites. Where the activity is likely to result in obtaining private information but does not amount to establishing or maintain a CHIS relationship, consideration should be given for a directed surveillance authorisation.

4.30 Where someone, such as an employee or member of the public, is tasked by a public authority to use an internet profile to establish or maintain a relationship with a subject of interest for a covert purpose, or otherwise undertakes such activity on behalf of the public authority, in order to obtain or provide access to information, a CHIS authorisation is likely to be required. For example:

- *An investigator using the internet to engage with a subject of interest at the start of an operation, in order to ascertain information or facilitate a meeting in person.*
- *Directing a member of the public to use their own or another internet profile to establish or maintain a relationship with a subject of interest for a covert purpose.*
- *Joining chat rooms with a view to interacting with a criminal group in order to obtain information about their criminal activities.*

4.31 A CHIS authorisation will not always be appropriate or necessary for online investigation or research. Some websites require a user to register providing personal identifiers (such as name and phone number) before access to the site will be permitted. Where a member of a public authority sets up a false identity for this purpose, this does not in itself amount to establishing a relationship, and a CHIS authorisation would not immediately be required. However, consideration should be given to the need for a directed surveillance authorisation if the conduct is likely to result in the acquisition of private information, and the other relevant criteria are met

4.32 Where a website or social media account requires a minimal level of interaction, such as sending or receiving a friend request before access is permitted, this may not in itself amount to establishing a relationship. Equally, the use of electronic

gestures such as "like" or "follow" to react to information posted by others online would not in itself constitute forming a relationship. However, it should be borne in mind that entering a website or responding on these terms may lead to further interaction with other users and a CHIS authorisation should be obtained if there is an intention to engage in such interaction to obtain, provide access to or disclose information.

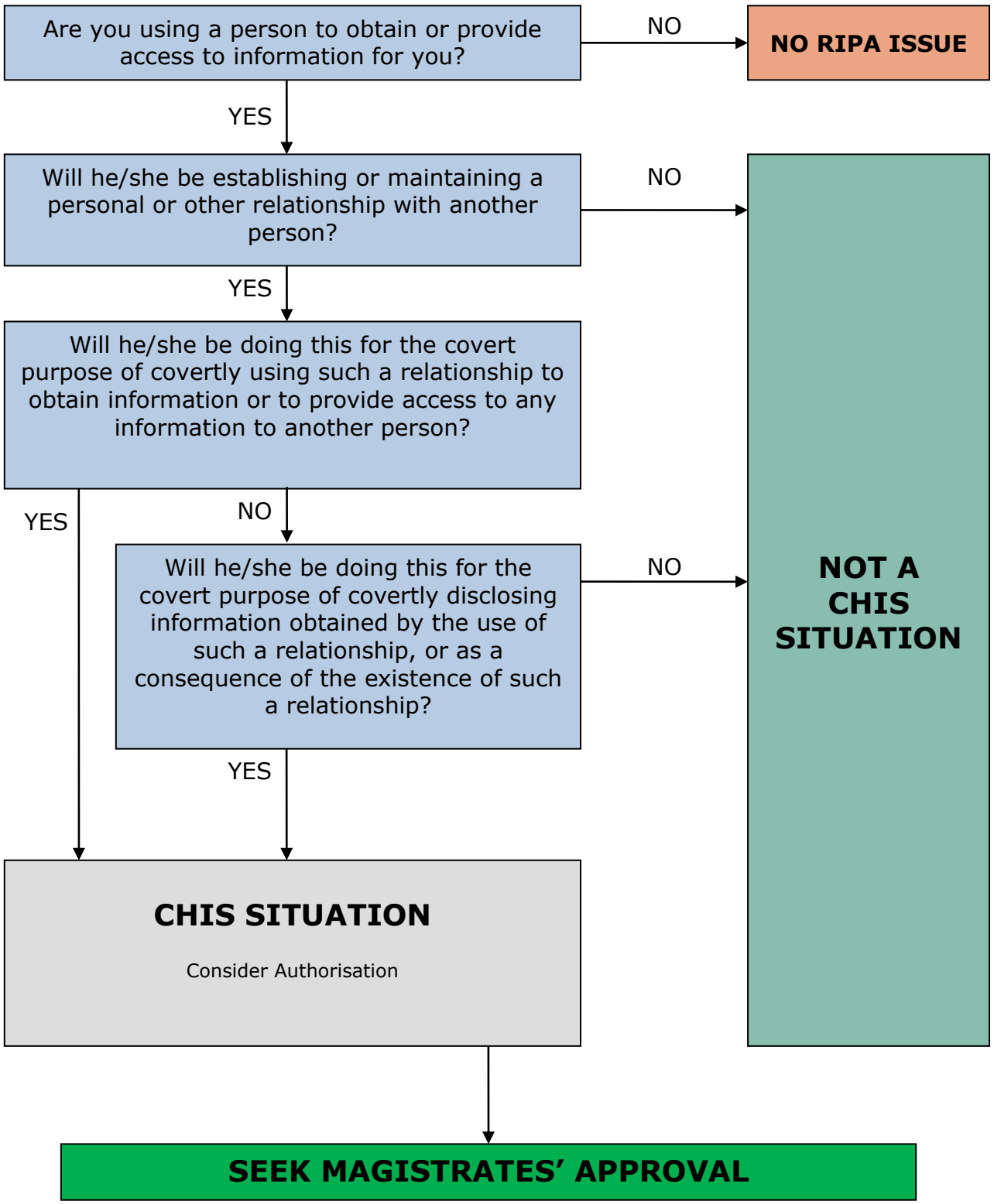
4.33 When engaging in conduct as a CHIS, a member of a public authority should not adopt the identity of a person known, or likely to be known, to the subject of interest or users of the site without considering the need for a CHIS authorisation. Full consideration should be given to the potential risks posed by that activity.

4.34 Where use of the internet is part of the tasking of a CHIS, the risk assessment carried out in accordance with section 7.15 to 7.21 of this code should include consideration of the risks arising from that online activity including factors such as the length of time spent online and the material to which the CHIS may be exposed. This should also take account of any disparity between the technical skills of the CHIS and those of the handler or authorising officer, and the extent to which this may impact on the effectiveness of oversight.

4.35 Where it is intended that more than one officer will share the same online persona, each individual should be clearly identifiable within the overarching authorisation for that operation. The authorization should provide clear information about the conduct required of - and the risk assessments in relation to - each officer involved. (See also paragraph 3.32 to 3.26)

No officer should make repeated visits to the same open source social media site as part of an investigation unless they have first spoken to Assistant Director for Legal Services (Phil Horsfield 01709 254437), the Council's RIPA Coordinator, the Head of Legal Services (Bal Nahal 01709 823661) or the Service Manager for Litigation & Practice (Michelle Scales 01709 823145) to ensure that it is lawful to do so.

Flowchart 3 - Are you deploying a CHIS?



Completing the Forms

Once it is decided what type of surveillance is being undertaken, the appropriate form must be completed and sent to the Authorising Officer for approval. Templates of each form together with notes to assist completion are available at RIPA forms - GOV.UK
The current version of any form must be used, the following forms are available using the above link: -

Application for use of directed surveillance
Renewal form for directed surveillance
Review of use form for directed surveillance
Cancellation of use form for directed surveillance
Forms in relation to CHIS

Local authorities do not have the power to make urgent oral authorisations, Therefore, all authorisations, even if urgent, must be made in writing and the relevant judicial approval must be sought.

The Authorising Officer

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 N0.521) states that the Authorising Officer for a local authority can be a Director, Head of Service, Service Manager or equivalent. A list of the Council's Authorising Officers is held by the SRO. All authorising officers will be nominated by their Directorates, as being of sufficient rank and having undertaken appropriate RIPA training. Once the SRO is satisfied that this is the case they will be added to the list of Authorising officers, held by the SRO. The IPCO recommends that authorising officers do not authorise applications for their own service area to maintain independence.

Where the surveillance involves the likelihood of obtaining confidential information or the deployment of juveniles or vulnerable people, then the authorisation has to be sought from the Head of Paid Service or, in his/her absence, the acting Head of Paid Service.

Time Limits

The current time limits for an authorisation are 3 months for Directed Surveillance and 12 months for a CHIS (1 month if the CHIS is underage), beginning with the day when the authorisation granted had taken effect. Where it is anticipated that an authorisation will only be required for a period of time less than three months, authorisations should still be granted for the statutory three month period, this will then be subject to review and cancelled when no longer necessary.

A renewal must be authorised prior to the expiry of the original authorisation, but it runs from the expiry date and time of that original authorisation. Authorisations may be renewed more than once if still considered necessary and proportionate and approved by a Magistrate. Applications for renewals should not be made until shortly before the original authorisation period is due to expire but local authorities must take account of factors, which may delay the renewal process (e.g. intervening weekends or the availability of the relevant local authority authorising officer and a Magistrate to consider the application).

3. GUIDANCE FOR AUTHORISING OFFICERS

AUTHORISING DIRECTED SURVEILLANCE: RULES AND CRITERIA

Section 27 of RIPA provides a powerful defence if covert surveillance is challenged:

> *"(1) Conduct to which this Part applies shall be lawful for all purposes if -*
> *(a) an authorisation under this Part confers an entitlement to engage in that conduct on the person whose conduct it is; and*
> *(b) his conduct is in accordance with the authorisation."*

To take advantage of this defence, the surveillance needs to be properly authorised. S.28 sets out the criteria for authorising Directed Surveillance, whilst S.29 covers CHIS.

The Authorising Officer

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 N0.521) states that the Authorising Officer for a local authority can be a Director, Head of Service, Service Manager or equivalent. As stated above, a list of the Council's approved Authorising Officers is held by the SRO. A list of the current Authorising Officers is set out in section 6. The IPCO recommends that authorising officers do not authorise applications for their own service area to maintain independence.

Where the surveillance involves the likelihood of obtaining confidential information or the deployment of juveniles or vulnerable people, then the authorisation has to be sought from the Head of Paid Service or, in his/her absence, the acting Head of Paid Service.

Time Limits

The current time limits for an authorisation are 3 months for Directed Surveillance and 12 months for a CHIS (1 month if the CHIS is underage), beginning with the day when the authorisation granted had taken effect. Where it is anticipated that an authorisation will only be required for a period of time less than three months, authorisations should still be granted for the statutory three month period, this will then be subject to review and cancelled when no longer necessary.

A renewal must be authorised prior to the expiry of the original authorisation, but it runs from the expiry date and time of that original authorisation. Authorisations may be renewed more than once if still considered necessary and proportionate and approved by a Magistrate.

Applications for renewals should not be made until shortly before the original authorisation period is due to expire but local authorities must take account of factors, which may delay the renewal process (e.g. intervening weekends or the availability of the relevant local authority authorising officer and a Magistrate to consider the application).

Authorising Officer's Consideration (Chapter 3, Covert Surveillance and Property Interference Revised Code)

S.28(2) states:

> *"A person shall not grant an authorisation for the carrying out of directed surveillance unless he believes -*
> *(a) that the authorisation is necessary on grounds falling within subsection (3); and*
> *(b) that the authorised surveillance is proportionate to what is sought to be achieved by carrying it out."*

Please consult Flowchart 4 when deciding whether Directed Surveillance should be authorised.

The first question that the Authorising Officer needs to ask is: Is the surveillance necessary? Namely, is it necessary to use directed surveillance in the operation.

The surveillance has to be necessary on one of the grounds set out within in S.28(3). Previously local authorities could authorise Directed Surveillance where it was necessary

> *"for the purpose of preventing or detecting crime or of preventing disorder." (S.28(3)(b))*

The Home Office Review, which reported in January 2011, recommended that where local authorities wish to use Directed Surveillance, this should be confined to cases where the offence under investigation is a serious offence.

This recommendation was put into effect by The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012, SI 2012/1500 which was made in June 2012 and came into force on 1st November 2012. This amends the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010, SI 2010/521 ("the 2010 Order"), which prescribes which officers, within a public authority, have the power to grant authorisations for the carrying out of Directed Surveillance and the grounds, under Section 28(3), upon which authorisations can be granted.

From 1st November 2012, local authority Authorising Officers may not authorise Directed Surveillance unless it is for the purpose of preventing or detecting a criminal offence and it meets the condition set out in New Article 7A(3)(a) or (b) of the 2010 Order. Those conditions are that the criminal offence which is sought to be prevented or detected is punishable, whether on summary conviction or on indictment, by a maximum term of **at least 6 months of imprisonment**, or would constitute an offence under sections 146, 147 or 147A of the Licensing Act 2003 or section 7 of the Children and Young Persons Act 1933. The latter are all offences involving sale of tobacco and alcohol to underage children.

So, what about surveillance being carried out to tackle disorder (e.g. anti-social behaviour)? This can no longer be authorised as Directed Surveillance unless the disorder includes criminal offences satisfying the above criteria.

The second question is: Is the surveillance proportionate to what is sought to be achieved by carrying it out?

Proportionality means ensuring that the surveillance is the least intrusive method to obtain the required information having considered all reasonable alternatives. This requires consideration of not only whether surveillance is appropriate but also the method to be adopted, the duration and the equipment to be used.

The Investigatory Powers Commissioner Office often states in its inspection reports that officers have not properly understood this concept or have not demonstrated compliance within the authorisation form. The Covert Surveillance and Property Interference Revised Code of Practice (para 4.7) requires four aspects to be addressed in the authorisation form:

- balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence;
- explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
- 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;
- evidencing, as far as reasonably practicable, what other methods had been considered and why they were not implemented.

The third question is; can we avoid or minimise collateral intrusion?

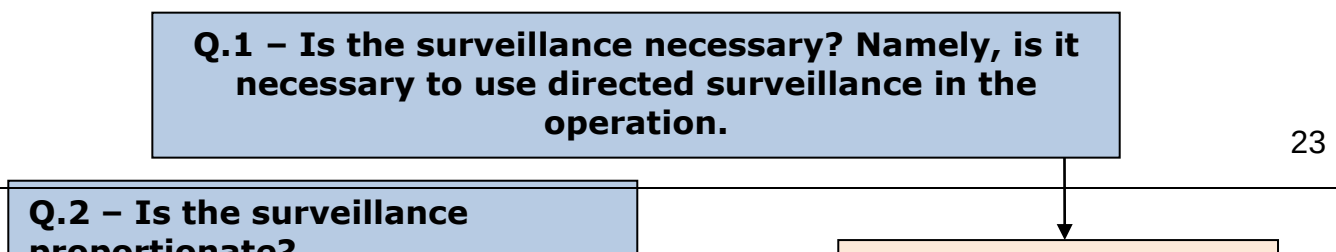
The Authorising Officer will need to carefully consider the likelihood of collateral intrusion occurring. This is the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation or operation. If the risk is significant, measures should be taken, wherever practicable, to avoid or minimise any unnecessary intrusion.

Investigating and Authorising Officers will need to ask themselves:

- What is the impact on third parties? Is it significant?
- If it is, what can be done to avoid or minimise it?
- Have we considered:
    - Changing the timing of the surveillance
    - Reducing the amount of surveillance
    - Changing the method of surveillance
    - The sensitivities of the local community

Surveillance operations by other public authorities - Of course at all times the need to obtain the best evidence to investigate the crime will be paramount.
Next Stage: Once the surveillance has been authorised the next stage is to seek Magistrates' approval. See Section 4 for a detailed explanation of the procedure.

Flowchart 4 - Authorising Directed Surveillance



YES

AUTHORISING A CHIS: RULES AND CRITERIA

Section 27 of RIPA provides a powerful defence if covert surveillance is challenged:

> *"(1) Conduct to which this Part applies shall be lawful for all purposes if -*
> *(a) an authorisation under this Part confers an entitlement to engage in that conduct on the person whose conduct it is; and*
> *(b) his conduct is in accordance with the authorisation."*

To take advantage of this defence, the surveillance needs to be properly authorised. S.28 sets out the criteria for authorising Directed Surveillance, whilst S.29 covers CHIS.

The Authorising Officer

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 N0.521) states that the Authorising Officer for a local authority can be a Director, Head of Service, Service Manager or equivalent.

Where the surveillance involves the likelihood of obtaining confidential information or the deployment of juveniles or vulnerable people, then the authorisation has to be sought from the Head of Paid Service or, in his/her absence, the acting Head of Paid Service. A list of the Council's Authorising Officers is held by the SRO. The IPCO recommends that authorising officers do not authorise applications for their own service area to maintain independence.

If there is any doubt regarding sufficiency of rank you should contact Legal Services or RIPA Coordinator for advice.

Time Limits

The current time limits for an authorisation are 3 months for Directed Surveillance and 12 months for a CHIS (1 month if the CHIS is underage), beginning with the day when the authorisation granted had taken effect. Where it is anticipated that an authorisation will only be required for a period of time less than three months, authorisation should still be granted for the statutory three month period, this will then be subject to review and cancelled when no longer necessary.

A renewal must be authorised prior to the expiry of the original authorisation, but it runs from the expiry date and time of that original authorisation. Authorisations may be renewed more than once if still considered necessary and proportionate and approved by a Magistrate.

Applications for renewals should not be made until shortly before the original authorisation period is due to expire but local authorities must take account of factors, which may delay the renewal process (e.g. intervening weekends or the availability of the relevant local authority authorising officer and a Magistrate to consider the application).

Authorising Officer's Consideration

S.29(2) states:

"A person shall not grant an authorisation for the conduct or the use of a covert human intelligence source unless he believes-
(a) that the authorisation is necessary on grounds falling within subsection (3);
(b) that the authorised conduct or use is proportionate to what is sought to be achieved by that conduct or use; and
(c) that arrangements exist for the source's case that satisfy the requirements of subsection (5) and such other requirements as may be imposed by order made by the Secretary of State. "

Please consult Flowchart 5 when deciding whether the deployment of a CHIS should be authorised.

Three matters are important to consider before authorising the deployment of a CHIS:

1. Necessity

The deployment of a CHIS has to be necessary on one of the grounds set out within in S.29(3). Local authorities can only authorise on the one ground; where it is necessary:

"for the purpose of preventing or detecting crime or of preventing disorder." (S.29(3)(b))

The matter being investigated must be an identifiable criminal offence or constitute disorder. Unlike Directed Surveillance, the grounds for authorising a CHIS did not change on 1 November 2012.

2. Proportionality

Proportionality means ensuring that the deployment of the CHIS is the least intrusive method to obtain the required information having considered all reasonable alternatives. This requires consideration of not only whether a CHIS is appropriate but also the method to be adopted, the duration and the equipment to be used. The CHIS Revised Code of Practice (para 3.6) requires four aspects to be addressed in the authorisation form:

- balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence;
- explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
- whether the conduct to be authorized will have any implications for the private and family life to others, and an explanation of why (if relevant) it is nevertheless proportionate to proceed;
- considering whether the activity is an appropriate use of the legislation and a reasonable way, having considered all reasonable alternatives, of obtaining the information sought;
- evidencing, as far as reasonably practicable, what other methods had been considered and why they were not implemented or have been implemented unsuccessfully.

3. Security and Welfare Arrangements

CHISs are often placed in difficult and sometimes dangerous situations e.g. an informant on a housing estate in contact with criminal gangs. Appropriate security and welfare arrangements must also be in place in relation to each CHIS. S.29(5) requires there to be:

- A person who will have day-to-day responsibility for dealing with the CHIS on behalf of that authority, and for his/her security and welfare;

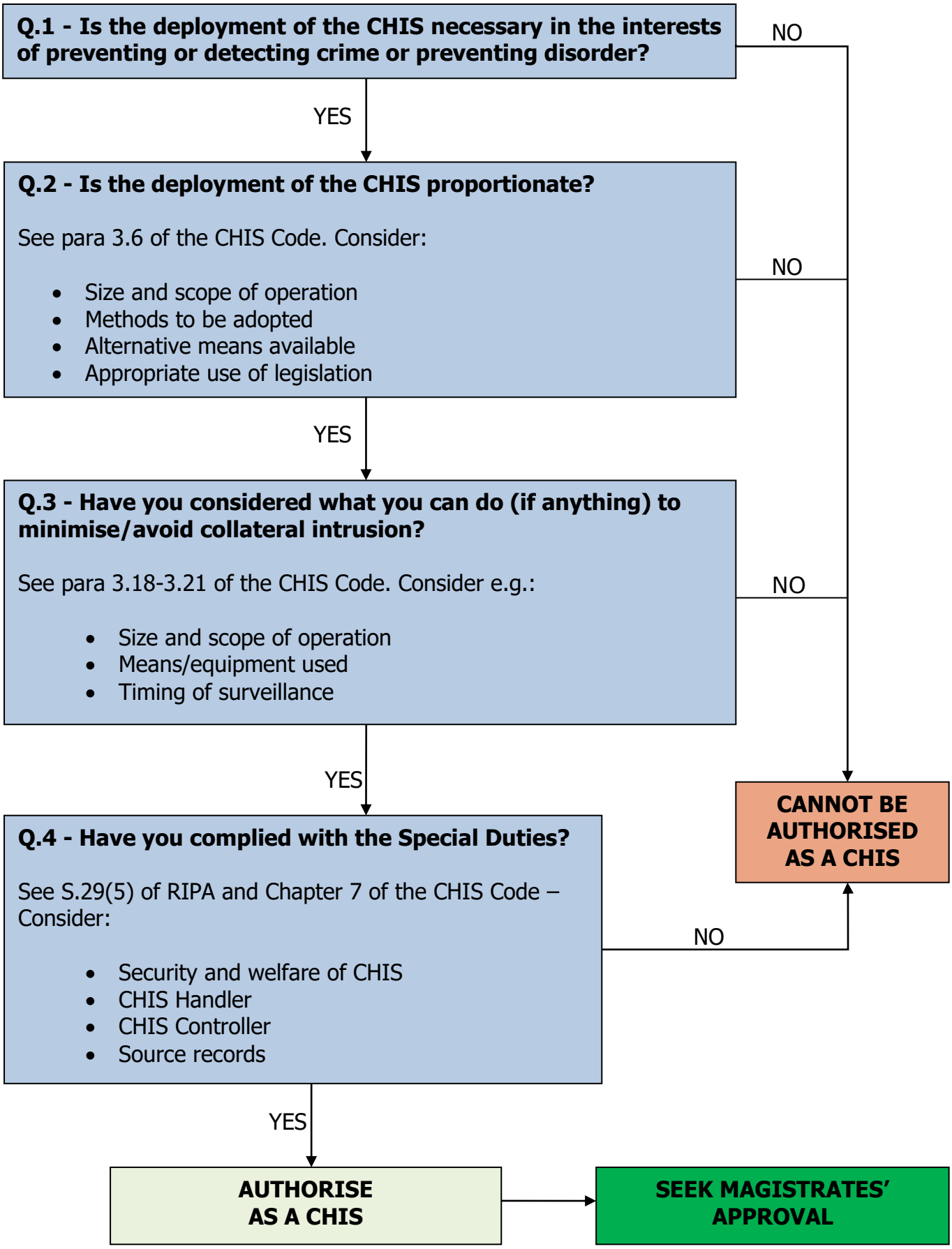
- A person who will have general oversight of the use made of the CHIS. This person must be different to the one above.
- A person who will maintain a record of the use made of the CHIS. This can be any of the above or a separate person.
- Proper and secure records to keep about the use made of the CHIS.

Risk Assessment: An authorisation for the conduct or use of a CHIS may not be granted or renewed in any case where the source is under the age of eighteen at the time of the grant or renewal, unless a risk assessment has been carried out. This must be sufficient to demonstrate that:

- the nature and magnitude of any risk of physical injury to the CHIS arising in the course of, or as a result of, carrying out the conduct described in the authorisation has been identified and evaluated;
- the nature and magnitude of any risk of psychological distress to the CHIS arising in the course of, or as a result of, carrying out the conduct described in the authorisation has been identified and evaluated;
- the person granting or renewing the authorisation has considered the risk assessment and has satisfied himself that any risks identified in it are justified and, if they are, that they have been properly explained to and understood by the CHIS;

the person granting or renewing the authorisation knows whether the relationship to which the conduct or use would relate is between the CHIS and a relative, guardian or person who has for the time being assumed responsibility for the CHISs welfare, and, if it is, has given particular consideration to whether the authorisation is justified in the light of that fact.

Flowchart 5 - Authorising a CHIS



PROCEDURE FOR COMPLETING THE RIPA FORMS

The standard forms with guidance notes are available at RIPA forms - GOV.UK
The current version of any form must be used, the following forms are available using the above link: -

Application for use of directed surveillance
Renewal form for directed surveillance
Review of use form for directed surveillance
Cancellation of use form for directed surveillance
Forms in relation to CHIS

The Home Office states that public authorities may use these forms or adapt them, for example to include corporate logos or images or to combine review and renewal, or renewal and cancellation forms. However, if they adapt these forms for their own purposes - to record extra information that is not strictly necessary to ensure and demonstrate compliance with RIPA - that additional local requirement should be indicated as being distinct from the necessary recording of RIPA considerations and decisions. On no account though should the forms be pre completed with standard wording, as each application should be made with the specific circumstances of the investigation in mind.

What to do

1. Decide what types of surveillance you are doing (refer to the guidance in Section 2 of this procedure) and discuss with Legal Services.

2. Use this guidance and associated precedents to complete the appropriate forms. The following documents will also assist in this task:

    a) The Covert Surveillance and Property Interference Revised Code of Practice

    b) The Covert Human Intelligence Sources Revised Code of Practice

    c) The OSC Procedures and Guidance Document – (available from the RIPA Co-coordinator).

3. Once completed, the forms should be sent to the most appropriate authorising Officer for approval. A list of Authorising Officers is available from the SRO.

4. The Authorising Officer should be reminded to read Section 3 of this procedure before completing his/her sections of the form. All authorisation forms should be signed in hard copy by the authorising officer, as opposed to any system of using an electronic signature.

5. If you are seeking a new authorisation or renewing an existing one, remember that it cannot take effect until a Magistrate has approved it. The procedure for this is set out in Section 4 of this document.

6. The original of each completed form (including cancellation forms) should be sent to the RIPA Coordinator who maintains the Council's Central Record of Authorisations, with a copy kept on the operational file.

COMMON MISTAKES IN RIPA FORMS

(Highlighted by the IPOC)

Officers should be aware of the following mistakes when they undertake their respective roles in the RIPA process.

Investigating Officers' Mistakes

- Using of out of date Home Office forms
- Not quoting a unique reference number (URN)
- Copying (cutting and pasting) wording from old authorisation forms
- Failing to give a detailed explanation of what the surveillance will involve
- A surfeit of surveillance tactics and equipment being requested and granted but rarely fully used when reviews and cancellations are examined
- Failing to consider and/or explain the proportionality factors
- Poor and over-formulaic consideration of potential collateral intrusion and how this will be managed
- Failing to consider likelihood of obtaining Confidential Information
- Failing to recognise or be alive to the possibility that someone may have met the CHIS criteria
- Failing to authorise a CHIS promptly as soon as they have met the criteria
- Over-generic risk assessments for a CHIS and not updated to enable the Authorising Officer to identify emergent risks
- Failing to send completed forms to the RIPA Coordinator

Please also read paragraph 4.40 and 4.41 of the Covert Surveillance and Property Interference Revised Code of Practice which sets out best working practices with regard to all applications for authorisations under RIPA.

Authorising Officers' Mistakes

- Too many Authorising Officers within the Authority
- Repetitive narrative and rubber stamping without proper consideration of all the facts set out in the authorisation form
- Not knowing the capability of the surveillance equipment which is being authorised. (For instance, there are differences between video cameras that record continuously and those activated by motion; and between thermal image and infrared capability. These differences may have an important bearing on how a surveillance operation is conducted and the breadth of the authorisation being granted. Therefore, a simple authorisation for 'cameras' is usually insufficient)
- Failing to demonstrate that less intrusive methods have been considered and why they have been discounted in favour of the tactic selected

- Discussions that take place between the Authorising Officer and those charged with the management of the CHIS under section 29(5) of RIPA are not always captured in an auditable manner for later recall or evidence
- At cancellation, a lack of adequate, meaningful update for the Authorising Officer to assess the activity conducted, any collateral intrusion that has occurred, the value of the surveillance and the resultant product; with, often a similarly paltry input by Authorising Officers as to the outcome and how product must be managed
- Failing, when cancelling authorisations, to give directions for the management and storage of the product of the surveillance
- No robust management and quality assurance procedures including no regular audits

4. SEEKING MAGISTRATES' APPROVAL

4. GUIDE TO SEEKING MAGISTRATES' APPROVAL FOR RIPA SURVEILLANCE

Background

Chapter 2 of Part 2 of the Protection of Freedoms Act 2012 (sections 37 and 38) came into force on 1st November 2012. This changes the procedure for the authorisation of local authority surveillance under the Regulation for Investigatory Powers Act 2000 (RIPA).

From 1st November 2012 local authorities are required to obtain the approval of a Justice of the Peace (JP) for the use of any one of the three covert investigatory techniques available to them under RIPA namely Directed Surveillance, the deployment of a Covert Human Intelligence Source (CHIS) and accessing communications data.

An approval is also required if an authorisation to use such techniques is being renewed. In each case, the role of the JP is to ensure that the correct procedures have been followed and the relevant factors have been taken account of. There is no requirement for the JP to consider either cancellations or internal reviews.

Home Office Guidance

The Home Office has published guidance on the Magistrates' approval process both for local authorities and the Magistrates' Court:

http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/local-authority-ripa-guidance/

This guidance is non-statutory but provides advice on how local authorities can best approach these changes in law and the new arrangements that need to be put in place to implement them effectively. It is supplementary to the legislation and to the two statutory Codes of Practice made under RIPA.

For a brief summary of the approval process please see flowchart 6 at the end of this section.

The Magistrates' Approval Process

1. The first stage will be to apply for an internal authorisation in the usual way. Once this has been granted, the local authority will need to contact the local Magistrates' Court to arrange a hearing.

2. 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. Authorisation forms will be quality assured by Legal Services. A member of Legal Services will also attend at the Magistrates Court to present the application.

3. The Home Office suggests that the investigating officer will be best suited to making the application for Judicial Approval, although the Authorising Officer may also want to attend to answer any questions.

4. The local authority will provide the JP with a copy of the original RIPA authorisation. This forms the basis of the application to the JP and should contain all information that is relied upon. In addition, the local authority will provide the JP with two copies of a partially completed judicial application/order form prepared by Legal Services (which is included in the Home Office Guidance) ***(see the next section for an example with notes to assist completion).***

5. The hearing will be in private and heard by a single JP who will read and consider the RIPA authorisation and the judicial application/order form. He/She may have questions to clarify points or require additional reassurance on particular matters. 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.

6. The JP will consider whether he or she is satisfied that, at the time the authorisation was granted or renewed, there were reasonable grounds for believing that the authorisation was necessary and proportionate. He/She will also consider whether there continues to be reasonable grounds. In addition, the JP must be satisfied that the Authorising Officer was of an appropriate level within the local authority and that the authorisation was made in accordance with any applicable legal restrictions (e.g. meets the Serious Crime Test for Directed Surveillance)

7. The order section of the above mentioned form will be completed by the JP and will be the official record of his/her decision. The local authority will need to retain a copy of the form after it has been signed by the JP.

Magistrate's Options

The JP may decide to:-

- ***Approve the grant/renewal of the authorisation***

  The grant/renewal of the authorisation will then take effect and the local authority may proceed to use the surveillance technique mentioned therein. A copy of the order must be kept on the central record of authorisations.

- ***Refuse to approve the grant/renewal of the authorisation on a technicality***

  The RIPA authorisation will not take effect and the local authority may <u>not</u> use the surveillance technique in that case. The authority will need to consider the reasons for the refusal. A technical error in the form may be remedied without the need to go through the internal authorisation process again. The authority can then reapply for Magistrates' approval.

- ***Refuse to approve the grant/renewal and quash the authorisation***

  A JP may refuse to approve the grant or renewal of an authorisation and decide to quash the original authorisation. This may be because he/she believes it is not necessary or proportionate. The RIPA authorisation will not take effect and the local authority may <u>not</u> use the surveillance technique in that case. The JP must not exercise his/her power to quash the authorisation unless the local authority has had at least two business days from the date of the refusal in which to prepare and make further representations to the court.

Appeals

A local authority may only appeal a JP's decision to refuse approval of an authorisation, on a point of law by making an application for Judicial Review in the High Court.

The Investigatory Powers Tribunal (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 finds fault with a RIPA authorisation it has the power to quash the JP's order which approved the grant or renewal of the authorisation. It can also award damages if it believes that an individual's human rights have been violated by the local authority.

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, and 32B

Local Authority: .....

Local Authority Department: .....

Offence under investigation[1]: .....

.....

Address of premises or identity of subject:[2]: .....

.....

Covert technique requested: (tick one and specify details)

Communications Data	
Covert Human Intelligence Source	
Directed Surveillance	

Summary of details[3]

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

Investigating Officer: .....

Authorising Officer: .....

Officer(s) appearing before JP [4]: .....

Address of applicant department: .....

.....

Contact telephone number: .....

Contact email address (optional): .....

Local authority reference: .....

Number of pages: .....

To be completed by local authority

Order overleaf

[5]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.

☐ [6]refuse to approve the grant or renewal of the authorisation/notice.

☐ [7]refuse to approve the grant or renewal and quash the authorisation/notice.

Reasons

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Notes

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.....

Signed:

Date:

Time:

Full name:

Address of magistrates' court:

5. NOTES TO ASSIST COMPLETION - MAGISTRATES' APPROVAL

Notes to Assist Completion

[1]Insert the offence or disorder that you are investigating. If you are seeking authorisation for Directed Surveillance make sure that the criminal offence you are investigating attracts a maximum custodial sentence of six months or more or relates to the underage sale of alcohol or tobacco (as per the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012.

[2]You may not know the identity of the person in which case you can include a description and/or how they relate to the offence/disorder under investigation.

[3]This forms the basis of the application to the JP and should contain all information that is relied upon. You may wish to set out in brief:

- What information you are seeking from the surveillance
- What the surveillance will involve e.g. covert cameras, CHIS
- How long the surveillance will last

You do no need to go into a lot of detail as this form should have the original authorisation form attached.

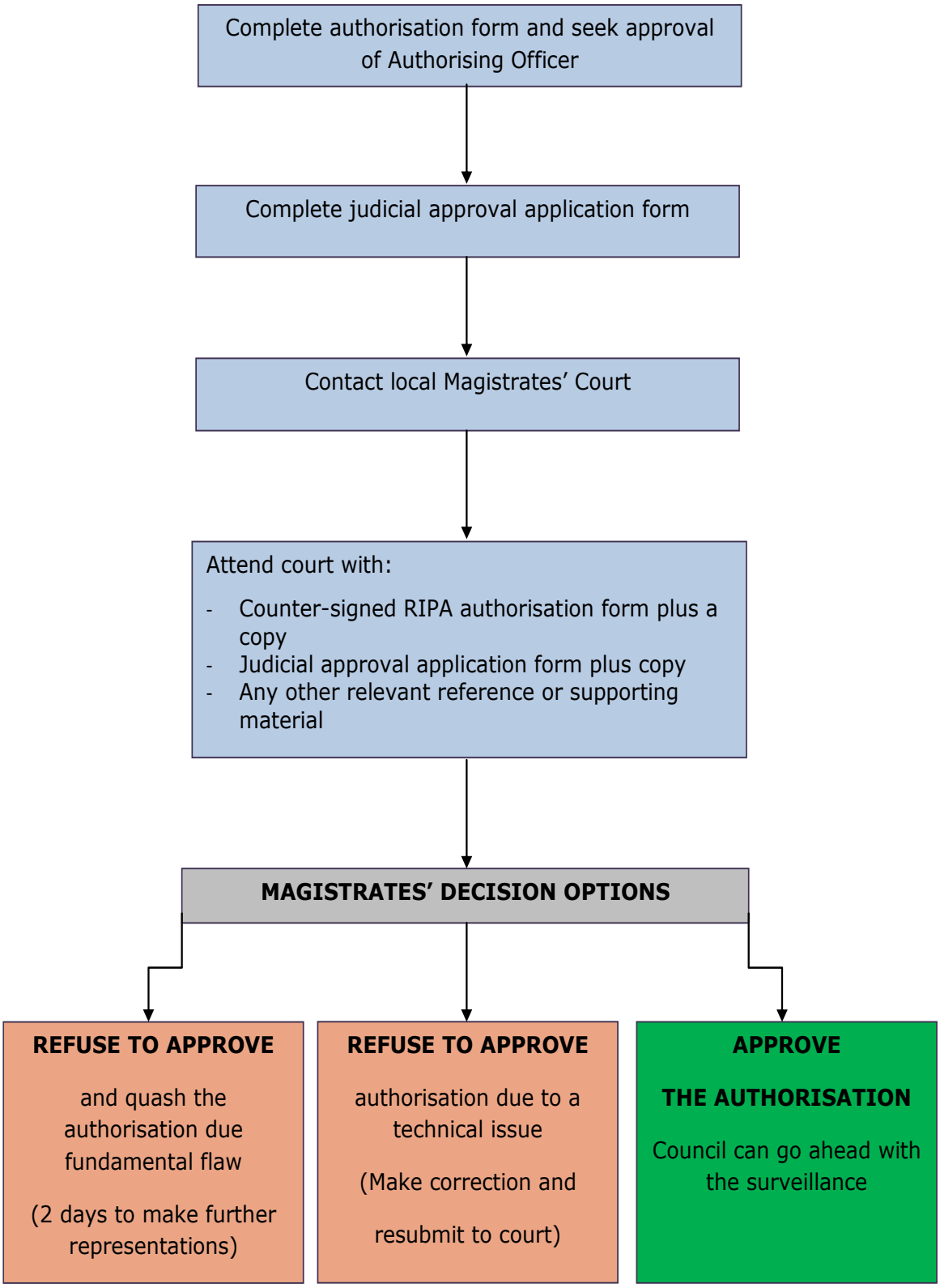
[4] Any officer employed by the Council can appear before the Magistrate. The Home Office suggests that the Investigating Officer is best placed to do this. Make sure that whoever appears is formally designated to do so under section 223 of the Local Government Act 1972. Legal Services will carry out the initial applications.

[5]The order section of this form will be completed by the Magistrate and will be the official record of the Magistrate's decision. The Council will need to retain a copy of the judicial application/order form after it has been signed by the Magistrate. This may be kept with the original authorisation on the Central Record.

[6]If the Magistrate refuses to approve the authorisation, surveillance cannot be undertaken. This may be due to a technical error which can be corrected. Read the reasons for refusal and seek advice from the Legal Dept. and/or RIPA Coordinator with regards to the next steps.

[7]If the Magistrate decides to quash the authorisation, surveillance cannot be undertaken. You will have two days to make further representations. Read the reasons for refusal and seek advice from the Legal Dept and/or RIPA Coordinator with regards to the next steps.

Flowchart 6 - The Magistrates' Approval Process



6. Governance Arrangements & Quality Assurance

Senior Responsible Officer

Pursuant to the revised Code of Practice the Authority's Senior Responsible Officer is the Assistant Director of Legal Services. The Senior Responsible Officer is responsible for:

- the integrity of the process in place within the public authority to authorise directed and intrusive surveillance;
- compliance with the law and the Revised Codes of Practice;
- oversight of the reporting of errors to the Investigatory Powers Commissioner and the identification of both the cause(s) of errors and the implementation of processes to minimise repetition of errors;
- engagement with the Investigatory Powers Commissioner and inspectors who support the Commissioner when they conduct their inspections;
- where necessary, overseeing the implementation of any post-inspection action plans recommended or approved by a Judicial Commissioner, and
- ensuring that all authorising officers are of an appropriate standard, addressing any recommendations and concerns in the inspection reports prepared by the Investigatory Powers Commissioner.

The current list of Authorising officers is as follows:

Sam Barstow (Assistant Director of Community Safety and Street Scene)
Lewis Coates (Service Manager for Regulation and Enforcement)
Alan Pogorzelec (Licensing Manager)
Louise Ivens (Head of Internal Audit)

The SRO will maintain an up to date list of Authorising officers which accurately reflects any changes to personnel and Authorising officers between the annual settings of this policy by elected members. The SRO also regularly monitors the quality of the authorisations forms which are completed, in conjunction with the RIPA Coordinator as part of the overall Quality Assurance process.

Members Oversight

Pursuant to the Covert Surveillance and Property Interference Revised Code of Practice at paragraph 4.47 elected members of a local authority should review the authority's use of the Act and set the policy at least once a year. They should also consider internal reports on use of the Act on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose. This is done by means of six monthly reports to the Audit Committee.

Quality Assurance

Quality Assurance will be provided on an ongoing basis by Legal Services who will review and assess all forms as part of the Judicial Approval application process. Feedback will be given directly to relevant officers, with wider feedback given and changes to the Policy made if necessary.

Monitoring and Quality Control

In addition to the Quality Assurance set out above as part of the Judicial Approval application process, the RIPA Coordinator will monitor on receipt the authorisation, renewal, review and cancellations forms which are submitted for the Central Register. Any issues arising from these forms will be brought to the attention of the applying and authorising officer.

The RIPA Co-ordinator

The RIPA Coordinator for Rotherham is Bal Nahal, Head of Legal Services.

Contact details are:-

Phone: 01709 823661
E-mail: bal.nahal@rotherham.gov.uk

The RIPA Coordinator will maintain a register centrally of all authorisations, refusals, reviews, renewals and cancellations. As part of the Judicial Approval application the RIPA Coordinator will monitor the authorisation forms submitted. Further the RIPA Coordinator will monitor on receipt all renewal, review and cancellation forms which are submitted for the Central Register. Any issues arising out of these forms will be brought immediately to the attention of the applying and authorising officer.

IT IS IMPORTANT that all Services keep the RIPA Coordinator updated on all or any changes to authorisation forms.

The RIPA Co-ordinator will keep the records for 5 years to comply with Home Office guidance.

The further responsibilities of the RIPA Coordinator are:-

a) Oversight of the submitted RIPA documentation
b) Organising a RIPA training programme
c) Raising RIPA awareness within the Council

Storage of Authorisation Forms

Each Assistant Director whose department conducts surveillance is responsible for organising sufficient systems within their service in respect of the storage of files and associated RIPA forms.

Copies of the forms should be retained on the operational file for the investigation. The RIPA Coordinator should be sent originals of all authorisations, refusals, reviews, cancellations and renewals of authorisations to satisfy Home Office Code of Practice recommendations.

The following should also be kept by the authorising officer. There is no requirement for this to form part of the central register maintained by the RIPA Coordinator (although pursuant to the current arrangements the originals of forms will be kept by the RIPA Coordinator):-

- the original forms of application, authorisation and supplementary documentation and notification of approval given by the authorising officer.
- a record of the period over which the surveillance has taken place
- frequency of reviews prescribed by the authorising officer
- a record of the result of each review of an authorisation
- a copy of any renewal of an authorisation, and supporting documentation submitted when it was requested.
- the date and time any instruction was given by the authorising officer.

THE OVERSIGHT OF RIPA

RIPA is overseen by surveillance commissioners. They are tasked to ensure that RIPA is being applied properly. Inspections can be carried out at regular intervals.

Also, any person aggrieved by the way a local authority carries out covert surveillance as defined by RIPA can make a complaint to the Investigatory Powers Tribunal under the Act for redress within a year of the act complained of or any longer period that the tribunal thinks it just and equitable to allow.

This tribunal can quash any authorisation and can order the destruction of information held or obtained in pursuit of it. It can also award damages if it believes that an individual's human rights have been violated by the local authority.

IPCO
Authorisation & Oversight

PO Box 29105, London
SW1V 1ZU

Mr John Edwards
Riverside House,
Main Street,
Rotherham,
S60 1AE

26th January 2026

Dear Chief Executive,

Thank you for providing IPCO with your response to the matters identified in my Inspector's letter dated 8 December 2025. I am also grateful for the subsequent engagement with my Inspector as they followed up on the information you provided. This was facilitated through Phil Horsfield (SRO) and Michelle Scales, Service Manager, Litigation and Property who provided information during professional discussion. This information comprised a briefing note on the response to the previous inspection, records of surveillance authorisations, and copies of policies and procedures.

The last inspection took place in 2023, and on this occasion my Inspector found your authority to be in a good position regarding RIPA compliance. Since that inspection, only limited use has been made of the covert powers available, consisting of a single Directed Surveillance authorisation.

The application, authorisation and cancellation documents clearly set out the statutory considerations of necessity and proportionality, and they appropriately assessed the risk of collateral intrusion. Additional safeguards were implemented to restrict camera viewing angles to avoid capturing windows and neighbouring properties, demonstrating that careful thought had been given to managing and mitigating collateral intrusion.

My Inspector noted that the policy documents were well structured and had been updated since the last inspection. The policy includes informative diagrams and flow charts to aid staff in their understanding of when RIPA protections should be considered and sought.

It is clear to my Inspector that your Council takes its responsibilities in relation to the management of covert activities seriously and this is reflected in the quality of the application and authorisation viewed during the inspection (URN 9246).

The Council continues to perform well, and the staff engaged with, are fully aware of their responsibilities and eager to achieve the highest of standards.

My inspector has provided advice which it is hoped will assist in improving already good standards. Those 'fine tuning' improvements relate to the updating of RIPA forms to remove out of date references to the Code of Practice.

I am satisfied your reply provides your assurance that ongoing compliance with RIPA 2000 and the Investigatory Powers Act 2016 will be maintained. As such, your Council will not require further inspection this year.

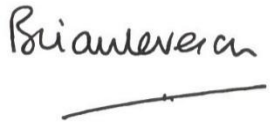
I would ask that you ensure the key compliance issues continue to receive the necessary internal governance and oversight through: policy refreshes; annual updates to your Elected Members; ongoing training and awareness raising; internal compliance monitoring by lead managers within their business areas; and the retention, review and destruction (RRD) of any product obtained through the use of covert powers (Records and Product Management in accordance with the Safeguards Chapters of the relevant Codes of Practice).

Your Council will be due its next inspection in 2029, but please do not hesitate to contact my Office if IPCO can be of assistance in the intervening period.

It is, of course, the responsibility of your authority to ensure that any covert activity is conducted in accordance with the legislation. The IPC expects early notification of any Errors in the use of the powers, which will then be investigated fully.

I shall be grateful if you would acknowledge receipt of this letter within two months and let me know your plans in relation to the matters identified.

Yours sincerely,



The Rt. Hon. Sir Brian Leveson
The Investigatory Powers Commissioner

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Rotherham Metropolitan Borough Council

Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2025

Report Title
High Needs / Safety Valve Programme - 2025/26

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)
Joshua Amahwe, Head of Finance CYPS
Joshua.amahwe@rotherham.gov.uk

Niall Devlin, Assistant Director Education & Inclusion
Niall.Devlin@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary

The 5-year Safety Valve Agreement came to an end on 31 March 2026. This report outlines the performance against the approved Safety Valve Agreement (with the Department of Education) over the 5 years of the programme as well as the recovery plans in place to enable Rotherham to achieve financial sustainability. The report also highlights the financial position of the Dedicated Schools Grant (DSG) High Needs Budget in 2025/26 and the cumulative deficit position in the last year of the Safety Valve Programme.

Recommendations

1. Audit Committee notes the performance against the Safety Valve Agreement and the recovery actions to manage the Dedicated School Grant (DSG) deficit in Rotherham.

2. Audit Committee notes the 2025/26 financial position of the DSG High Needs Budget and cumulative DSG deficit at the end of the Safety Valve Programme.

List of Appendices Included
None

Background Papers
- Schools Forum High Needs Budget Report 2025-26
- Schools White Paper – Every Child Achieving and Thriving
- SEND Reforms Consultation – Putting Children and Young people first
- Safety Valve Agreement Letter

Consideration by any other Council Committee, Scrutiny or Advisory Panel
No

Council Approval Required
No

Exempt from the Press and Public
No

High Needs / Safety Valve Programme - 2025/26

1. Background

1.1 Historically, Rotherham has faced significant pressure within its High Needs Budget (HNB), resulting in annual Dedicated Schools Grant (DSG) deficits of around £5.0m. Although in-year deficits have reduced through continued transfers from the Schools Block, the cumulative DSG deficit reached £21.2m by the end of 2020/21, prior to commencing the Safety Valve programme.

1.2 The DSG deficit has been driven by rising demand for SEND provision, including increases in the number of Education, Health and Care Plans (EHCPs), young people aged 16–25 with EHCPs requiring support, placements in higher-cost specialist provision, and pupils accessing Alternative Provision.

1.3 In 2021/22, the Council entered into a Safety Valve Agreement with the Department for Education (DfE) aimed at strengthening mainstream SEND inclusion and support the ongoing transformation of SEND services. The agreement requires delivery of a plan to manage High Needs demand and achieve a balanced budget position by 2025/26. In return, the DfE committed to provide funding support of £20.5m over five years to address the historic DSG deficit.

1.4 The Council also received additional capital funding through the Safety Valve Programme to assist with creating more SEND places and the transformation of SEND provision. Total SEND and High Needs capital funding allocated over the three years to 2025/26 is approximately £9.0m.

2. Performance against the Safety Valve Agreement

2.1 As part of the Safety Valve Agreement, the Council committed to a programme of reforms and financial targets set out within the Dedicated Schools Grant (DSG) Management Plan.

2.2 The Safety Valve Agreement provided a clear and ambitious framework for developing enhanced inclusive provision to meet children's SEND across the Borough. Progress and financial performance have been monitored through quarterly returns to the Department for Education (DfE), providing ongoing support, challenge and oversight of delivery.

2.3 Rotherham has delivered all the conditions of its Safety Valve Agreement and has made significant progress in meeting the agreed financial recovery plan. Key achievements against the agreed conditions over the 5 year period are set out below.

1. Reduce use of independent specialist provision outside of the LA by creating appropriate capacity within Rotherham's high needs system, with a focus on ensuring provision is high quality and value for money;

Cabinet approved SEND Sufficiency Phase 4 in October 2022 and subsequently approved the establishment of 10 additional SEND resource bases, creating at least 100 mainstream specialist places. Further approvals in 2024 supported expansion of Elements Academy and investment in Newman School and Aspire PRU.

Between 2021/22 and November 2025, local capacity increased by 336 special school places and 144 resource provision places, enabling more children and young people to be educated locally.

While the proportion of new independent specialist placements has stabilised, reductions have been slower than anticipated. Robust commissioning and placement oversight arrangements remain in place.

2. **Improve Rotherham's early intervention strategy, including through investment in outreach work;**

The SEND Graduated Response, SEND Toolkit and Local Offer have been refreshed in partnership with families, schools and providers.

Social Emotional and Mental Health (SEMH) and Communication and Interaction outreach services have been implemented, supporting schools to meet need earlier and helping to reduce suspension and exclusion pressures.

3. **Ensure appropriate use of provision and avoid escalation of children and young people's needs by, among other things, improving the governance around placement decisions;**

Multi-agency decision-making arrangements are embedded through the Education, Health and Care Panel, supported by a weekly escalation panel to review exceptional packages, out-of-area placements and independent specialist provision requests.

4. **Review support services in Rotherham to ensure value for money is achieved;**

Value for money considerations are embedded within commissioning and placement decisions, supported by regular financial monitoring and reporting arrangements.

5. **Increase the outreach offer for Social Emotional and Mental Health (SEMH) needs at primary and secondary;**

The borough's SEMH Free School opened in September 2022. Additional provision for young people with Emotional Based School Avoidance (EBSA) has been developed, providing up to 30 places.

A further 40 SEMH resource provision places have been created, and the Aspire PRU outreach contract has been extended.

6. **Increase the outreach offer for specialist SEND;**

The Specialist Inclusion Team provides a universal outreach offer to all schools. New primary complex needs provisions opened in 2025, supported by curriculum development, capital investment and specialist outreach. To date, 29 pupils are accessing these provisions, with schools reporting increased confidence in meeting complex SEND needs within mainstream settings.

7. **Develop local sufficiency arrangements, including for Rotherham's Looked After Children;**

The Children in Care Sufficiency Programme has expanded in-house residential provision, increased local capacity and reduced reliance on external residential placements.

8. **Drive mainstream schools to adopt inclusive practice to enable more children and young people to remain in mainstream settings where appropriate;**

The PRU continues to operate as an intervention service with a focus on reintegration to mainstream education.

Following a borough-wide SEND capacity review, Cabinet approved a Schools Accessibility Strategy and £3m capital investment programme to improve SEND accessibility and support schools to meet a wider range of needs.

These investments have been complemented by a strengthened SEND school improvement offer and specialist outreach services. As a result, the proportion of pupils with an EHCP educated in mainstream schools increased by 5.4% during the Safety Valve period.

9. **Maintain engagement with stakeholders through strong and collaborative governance arrangements, such as ISOS partnership work, Schools Forum High Needs subgroup, primary and secondary head teacher.**

Governance arrangements have been strengthened through the SEND Executive, SEND Partnership Board and Schools Forum, with SEND sufficiency planning now a standing agenda item. Regular updates are provided to schools, elected members, health partners, parent carer forums and social care partners.

The SEND Partnership is also preparing for national SEND reforms and submitted Rotherham's SEND Reform Plan to the DfE in June 2025, ahead of planned implementation from September 2026.

3. Timetable and Accountability for Implementing this Decision

3.1 Robust monitoring and reporting arrangements are in place across the lifespan of the safety valve programme – with quarterly submission to the DfE on progress and risks facing the programme. This informed the progress update meetings with the DfE SEND Advisor for Rotherham to support delivery and hold accountability of the Safety Valve Agreement.

4. Financial Implications

4.1 A financial deficit of £3.6m was reported for the High Needs Budget for 2025/26 and has been transferred to the DSG reserves account. The in-year deficit reflects increased demand within the SEND system, including rising numbers of pupils with Education, Health and care Plans (EHCP) in mainstream and specialist settings, alongside inflationary cost pressures.

4.2 The overall DSG reserve position at 31 March 2026 is a cumulative deficit of £2.9m, after adjusting for safety valve funding received from DfE and other transferred DSG balances. The year end cumulative deficit has been carried forward to 2026/27 under the DSG statutory override regulation. The table below shows the year end DSG reserves position compared to the assumed position in the approved Safety Valve Agreement.

DSG Reserves	**2024/25 £'000**	**2025/26 £'000**
Opening deficit position	978	2,476
In-year HNB surplus (-)/deficit (+)	3,706	3,617
Actual Safety Valve Funding	-1,270	-2,000
Other DSG balances	-938	-1,196
Closing deficit position	**2,476**	**2,897**
Safety Valve Agreement position	**2,902**	**0**
Variance against Safety Valve	**-426**	**2,897**

4.3 The following are key points to note:

- The DSG reserve position at the end of the Safety Valve period (2025/26) is less favourable than the balanced position assumed within the Agreement. This reflects the cumulative impact of rising SEND demand and cost pressures, together with lower levels of Schools Block transfers in recent years.
- Despite this, the DSG deficit reduced significantly from £21.2m at the end of 2020/21 to £2.9m at 31 March 2026. This improvement reflects both the financial support provided through the Safety Valve Programme and the Council's actions to manage demand and improve financial sustainability.
- The statutory override regulations, which allows DSG deficits to be held separately from councils' wider financial positions, will remain in place until 31 March 2028. This will enable the Council to carry forward the residual DSG deficit of £2.9m at the end of 2025/26.

<u>High Needs Stability Grant</u>

4.4 2025/26 is the final year of the Council's Safety Valve Agreement, which has supported the management of SEND demand and financial pressures over the last five years.

4.5 The Government has announced a High Needs Stability Grant, which will fund up to 90% of historic DSG deficits accumulated by 31 March 2026, with local authorities expected to fund the remaining 10%. Based on the proposed funding methodology, the Council is expected to receive approximately £0.6m, reducing its residual DSG deficit of £2.9m at 31 March 2026.

4.6 The grant forms part of the transition to a reformed SEND system and complements the continuation of the statutory DSG deficit override, which remains in place until 31 March 2028. Access to the stability grant will be conditional on each authority submitting a Local SEND Reform Plan and securing approval from the Department for Education.

Schools White Paper and SEND Reforms

4.7 The Schools White Paper and wider SEND reforms set out a clear direction for a more inclusive and sustainable SEND system, with a focus on:

- Earlier identification and intervention to meet needs sooner and reduce escalation.
- Greater inclusion within mainstream education, supported by clearer expectations of ordinarily available provision.
- More consistent decision-making through national standards and clearer local pathways.
- Stronger accountability across education, health and care partners.
- Improved financial sustainability through strengthened local provision and reduced reliance on high-cost placements where needs can be met locally.

4.8 The overall aim is to improve educational outcomes, participation and preparation for adulthood for children and young people with SEND, while creating a more sustainable and predictable high needs funding system. To support implementation, the Government has committed £4bn of investment, including £1.6bn for mainstream schools, early years settings and colleges to strengthen inclusive practice, and £1.4bn for local authorities to provide specialist support through the Experts at Hand programme, including specialist teachers, educational psychologists and therapists.

4.9 Local authorities are required to submit a Local SEND Reform Plan by 19 June 2026, setting out how they will transition to the reformed SEND system and increase early intervention, inclusion and mainstream capacity. Plans must demonstrate a clear pathway towards the Government's vision for a more inclusive SEND system.

4.10 The Government recognises that implementation will take time and that financial pressures are likely to continue during the transition period. The Council's current modelling forecasts a worst-case scenario of in-year High Needs deficits of £7.0m in 2026/27 and £9.8m in 2027/28.

4.11 It is expected that Stability Grant funding will continue during this transition, although funding will be proportionate rather than unlimited. Local authorities will be required to maintain robust financial management while continuing to deliver appropriate, high-quality support for children and young people with SEND. Delivery of approved Local SEND Reform Plans will be a key component of this approach. Given this funding uncertainty it is difficult at present to assess how much the Department for Education will support the ongoing in year High Needs deficits. Therefore, the position will need to continue to be closely managed and factored into the Council's Budget setting processes.

5. Legal Advice and Implications

5.1 There are no direct legal implications, other than ensuring compliance with the terms and conditions of the signed Safety Valve agreement and the DSG conditions of grant.

6. Human Resources Advice and Implications

6.1 Children and young people with SEND are disproportionately represented across a range of education and inclusion measures. The Safety Valve Programme is intended to enable the Council to meet the needs of CYP with SEND, whilst appropriately managing demand for Education, Health and Care Plans (EHCPs), including assessment processes that are fit for purpose; and. use of appropriate and cost-effective provision.

7. Implications for Children and Young People and vulnerable adults

7.1 Rotherham is compliant with the SEND Code of Practice which sets out that if a child's parent or a young person makes a request for a particular nursery, school or post-16 institution in maintained, non-maintained, or independent provision, the local authority must comply with that preference and name the school or college in the EHC plan unless it would be unsuitable for the age, ability, aptitude or SEN of the child or young person, or the attendance of the child or young person there would be incompatible with the efficient education of others, or the efficient use of resources

8. Equalities and Human Rights Advice and Implications

8.1 There are no implications arising from this report to Equalities and Human Rights.

9. Risks and Mitigation

9.1 The following are identified risks in relation to the council's SEND / high needs budget:

1. Increasing inflation and provider fee rates are beginning to impact on forecast cost of specialist provision.
2. Increase in EHCP numbers and pupils requiring specialist support and placements.

3. Increased number of EHCP placements directed following tribunal and appeals.
4. Increasing number of requests from special schools and specialist resource provision for additional (bespoke) funding

10. Accountable Officers

Joshua Amahwe, Head of Finance CYPS
01709 910148 joshua.amahwe@rotherham.gov.uk

Niall Devlin, Assistant Director Education & Inclusion
01709 254235 niall.devlin@rotherham.gov.uk

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Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Treasury Management Update – Quarterly Report (Q1)

Is this a Key Decision and has it been included on the Forward Plan?
No

Executive Director Approving Submission of the Report
Judith Badger, Executive Director of Corporate Services

Report Author(s)
Tom Soulby
01709 822334 or tom.soulby@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary

Quarterly Treasury Update

The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

This report is the quarter 1 review for 2026/27. It also incorporates the needs of the Prudential Code to ensure adequate monitoring of the capital expenditure plans and the Council's prudential indicators (PIs).

It is also a requirement that any proposed changes to the 2026/27 prudential indicators are approved by Council.

The key messages for Members are:

a. Investments - the primary governing principle remains security over return and the criteria for selecting counterparties continues to reflect this.

b. Borrowing - The Council will maintain its strategy of being under-borrowed against the capital financing requirement. The Council has refinanced £50m of temporary borrowing in the year to date.

It is anticipated that further short term borrowing will be required before the end of 2026/27. As previously reported, the Council will predominantly adopt a short-term borrowing strategy to cover this borrowing need in anticipation of lower interest rates in the medium term. There is a discounted rate with the PWLB for borrowing long term funds specifically for HRA purposes which is available until March 2027. Depending on the prevailing interest rate position the Council may utilise this rate for some long-term borrowing. The borrowing position will remain under review.

c. Governance - strategies and monitoring are reviewed by Audit Committee.

d. Whilst the Council's approach to Treasury Management in recent years, utilising short-term borrowing, has generated significant savings for the Council, essential to achieving balanced budgets, the future outlook is more challenging. There is increased uncertainty around the future direction of interest rates as markets respond to the recent conflict in Iran.

Recommendations

1. Audit Committee is asked to note the contents of the report.

List of Appendices Included
Appendix A Quarter 1 Prudential Indicators and Treasury Management Monitoring
Appendix B Prudential and Treasury Indicators for 2026-27 as of 30 June 2026

Background Papers
Budget and Council Tax Setting Report 2026/27 to Council on 4 March 2026, Including the Treasury Management Strategy 2026/27

Consideration by any other Council Committee, Scrutiny or Advisory Panel
No.

Council Approval Required
No

Exempt from the Press and Public
No.

1. Background

1.1 **Quarter 1 Treasury Review** – The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

2. Key Issues

2.1 Quarter 1 Treasury Review – The review as set out in the Appendix provides Members with details of performance against agreed treasury and prudential indicators.

2.2 a. Investments - the primary governing principle remains security over return and the criteria for selecting counterparties continues to reflect this.

b. Borrowing – The Council will maintain its strategy of being under-borrowed against the capital financing requirement. The Council has refinanced £50m of temporary borrowing in the year to date.

It is anticipated that further short term borrowing will be required before the end of 2026/27. As previously reported, the Council will predominantly adopt a short-term borrowing strategy to cover this borrowing need in anticipation of lower interest rates in the medium term. There is a discounted rate with the PWLB for borrowing long term funds specifically for HRA purposes which is available until March 2027. Depending on the prevailing interest rate position the Council may utilise this rate for some long-term borrowing. The borrowing position will remain under review.

c. Governance - strategies and monitoring are reviewed by Audit Committee.

d. Whilst the Council's approach to Treasury Management in recent years, utilising short-term borrowing, has generated significant savings for the Council, essential to achieving balanced budgets, the future outlook is more challenging. There is increased uncertainty around the future direction of interest rates as markets respond to the recent conflict in Iran.

3. Options considered and recommended proposal

3.1 Quarter 1 Treasury Review – The review as set out in the Appendix indicates performance is in line with the plan and no proposals to vary the approach for the remainder of the year are proposed.

4. Consultation on proposal

4.1 The continuing approach to treasury management has been discussed with the Council's external Treasury Management Advisers, MUFG, who have confirmed this is a prudent approach given current market conditions. MUFG will continue to monitor borrowing rates and inform the Council if there are opportunities to borrow at advantageous rates.

5. Timetable and Accountability for Implementing this Decision

5.1 The report is for Audit Committee information and noting.

6. Financial and Procurement Advice and Implications

6.1 Treasury Management forms an integral part of the Council's overall financial arrangements. For the financial year 2026/27 the Treasury Management budgets are estimated to provide an underspend that will help support the Council's overall budget pressures, through income generated via the investment strategy.

6.2 The current strategy is to maintain the Council's position of being under-borrowed against the Capital Financing Requirement. The Council is forecast to require additional borrowing before the end of the 2026/27 financial year. This borrowing will be taken on a short-term basis to avoid exposure to currently high interest rates in anticipation of lower rates in future years. There is a possibility of taking some long term borrowing from the PWLB at the discounted HRA rate. A further update will be provided as part of the Council's mid year Treasury Management report.

6.3 There are no direct procurement implications arising from this report.

7. Legal Advice and Implications

7.1 It is a requirement that changes to the Council's prudential indicators are approved by Council

8. Human Resources Advice and Implications

8.1 There are no Human Resource implications arising from the report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 The report does not impact the Children's and Adult Social care budgets.

10. Equalities and Human Rights Advice and Implications

10.1 There are no implications arising from this report to Equalities and Human Rights.

11. Implications for CO2 Emissions and Climate Change

11.1 No direct implications.

12. Implications for Partners

12.1 There are no implications arising from this report to Partners or other directorates.

13. Risks and Mitigation

13.1 Regular monitoring of treasury activity ensures that risks and uncertainties are addressed at an early stage and hence kept to a minimum.

14. Accountable Officers

Rob Mahon, Assistant Director of Financial Services
Natalia Govorukhina, Head of Corporate Finance

Report Author: *Tom Soulby, Principal Finance Officer (Treasury)*

This report is published on the Council's website.

Appendix A

Quarter 1 Prudential Indicators and Treasury Management Monitoring

1. Introduction and Background

1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

1.2 The underlying purpose of the report supports the objective in the CIPFA Code of Practice on Treasury Management and the Communities & Local Government Investment Guidance. This states that Members receive and adequately scrutinise information on the treasury management service.

1.3 The underlying economic and financial environment remains difficult for the Council, on investment the main challenge relates to concerns over investment counterparty risk. This background encourages the Council to continue maintaining investments short term and with low-risk counterparties. In the period covered by this report the Bank of England base rate has remained at 3.75%.

1.4 The Council has refinanced £50m of temporary borrowing in the year to date, of which £20m was refinanced with the existing lender.

1.5 PWLB rates fluctuate, during quarter 1 of 2026/27 the rates have seen highs of 6.35% for a 50 year PWLB loan and lows of 5.89%. These are the highest rates for a number of years. Short term borrowing rates have increased slightly with 6 month borrowing rates standing at around 4.4%, compared with 4.2% in June 2025. The Council keeps interest rates under constant review within its borrowing strategies and decisions on the mix of long-term and short-term borrowing.

1.6 The Executive Director Corporate Services can report that the basis of the Treasury Management Strategy, the Investment Strategy and the PIs have not changed from that set out in the approved Treasury Management Strategy (Council March 2026).

2. Annual Investment Strategy

2.1 Key Objectives

The primary objective of the Council's Investment Strategy is safeguarding the repayment of the principal and interest of its investments on time – the investment return being a secondary objective. The current difficult economic and financial climate has heightened the Council's over-riding risk consideration with regard to "Counterparty Risk". As a result of these underlying market concerns, officers continue to implement an operational investment strategy which maintains the tight controls already in place in the approved Investment Strategy.

2.1.1 The Council approach to cash balances is to minimise them and the level of borrowing taken. As a result, the Council now carries a minimal cash balance and seeks additional borrowing only as and when required to reduce the cost of carry and in anticipation of reductions in long term interest rates in the future.

2.1.2 The Council has been investing any cash surpluses into Money Market Funds which at the end of quarter 1 had interest rates of between 3.80% and 3.87%. The process for using MMF's is very efficient and effective, with the added benefit that the funds the Council can access are all AAA rated. The Council also has the option to invest with the Debt Management Office (DMO, 3.70%), Bank Deposits (e.g. Lloyds, 3.51%) and Other Local Authorities (4.50% for 12 months). All interest rates quoted are as at the end of quarter 1.

2.2 **Current Investment Position**

The Council held £47.700m of investments on 30th June 2026, and the constituent parts of the investment position are:

Sector	Country	Up to 1 year £m	1 - 2 years £m	2 – 3 years £m
Banks	UK	0.000	0	0
Local Authorities	UK	0.000	0	0
MMF's	UK	47.700	0	0
Total		**47.700**	**0**	**0**

2.3.0 Risk Benchmarking

A regulatory development is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance. Discrete security and liquidity benchmarks are requirements to Member reporting and the following reports the current position against the benchmarks:

2.3.1 **Security** – The Council monitors its investments against historic levels of default by continually assessing these against the minimum criteria used in the Investment Strategy. The Council's approach to risk, the choice of counterparty criteria and length of investment ensures any risk of default is minimal when viewed against these historic default levels.

2.3.2 **Liquidity** – In respect of this area the Council set liquidity facilities/benchmarks to maintain:

- Bank overdraft – the Council does not currently have an agreed overdraft. Whilst an overdraft could be negotiated, less expensive short-term borrowing can be accessed through the financial markets.
- Liquid short-term deposits of at least £6m available within a week's notice.

The Executive Director for Corporate Services can report that liquidity arrangements were adequate during the year to date.

2.3.3 **Yield** – a local measure for investment yield benchmark is internal returns above the Overnight Sterling Overnight Index Average (SONIA).

The Executive Director for Corporate Services can report that the return in quarter 1 averages 3.804%, against an average Overnight SONIA to the end of June 2026 of 3.729%. The average rate of return has decreased in the last 12 months as the interest rates on investments have reduced in conjunction with the falling Bank of England base rate. Based on the Council's current average cash investments of £38.8m, the additional return achieved over the benchmark rate is £28.7k.

3. Borrowing

3.1 The first key control over the treasury activity is a Prudential Indicator (PI) to ensure that over the medium term, gross and net borrowing will only be for a capital purpose. Gross and net external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2026/27 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which would only be undertaken if this proves prudent to do so.

3.2 Refinancing of £50m of temporary borrowing has been refinanced as it matured. The details of the newly agreed borrowing are in the table below, while the details of the matured facilities are included at 3.4.

Lender	Amount	Interest Rate %	Maturity Date
Greater Manchester Combined Authority	£20,000,000	5.00%	August 2026
East Midlands Combined County Authority	£10,000,000	4.60%	December 2026
West Yorkshire Combined Authority	£15,000,000	4.50%	April 2027
Oxfordshire County Council	£5,000,000	4.70%	May 2027

3.3 The Council continues to pursue a strategy of committing to short term borrowing only, in the expectation that long term interest rates will fall in the near future. This is in line with the advice of our treasury advisors.

3.4 During the three months to 30 June 2026, the Council has repaid principal on annuity loans from the PWLB, and loans from the Local Authority lending market. The principal repaid, and interest rates are detailed in the table below. There are 5 Annuity loans on which variable amounts of principal are repaid each six months.

Lender	Principal	Type	Interest Rate %
PWLB	£56,642	Fixed rate (Annuity)	Various
West Midland Combined Authority	£30,000,000	Temp	4.65%
West Yorkshire Combined Authority	£15,000,000	Temp	4.15%
Oxfordshire County Council	£5,000,000	Temp	4.25%

4. Compliance with Treasury and Prudential Limits

4.1 The prudential and treasury Indicators are shown in Appendix 1.

4.2 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the quarter ended 30 June 2026, the Council has operated within the Treasury and Prudential indicators set out in the Council's Treasury Management Strategy Statement for 2026/27. The Executive Director of Corporate Services reports that no difficulties are envisaged for the current or future years in complying with these indicators.

4.3 All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

4.4 Treasury Management advice continues to be provided by MUFG Corporate Markets. They were appointed for a three year term in January 2026 following a procurement exercise.

Appendix B

Prudential and Treasury Indicators for 2026/27 as of 30th June 2026

Actual and estimates of the ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (financing costs net of interest and investment income) against the net revenue stream.

	2026/27 Original Indicator %	June 2026/27 Position %
Non-HRA	12.7	11.88
HRA	13.47	13.89

The current position reflects in-year changes to the capital programme and minor fluctuations in interest rates.

Authorised limit and operational boundary for external debt

This indicator confirms the council's compliance with its authorised limit and operational boundary for external debt as at the end of June 2026. The figure for gross external debt includes other long term liabilities such as leases and PFI agreements.

Treasury Indicators	2026/27 Budget £'000	June Actual £'000
Authorised limit for external debt	1,142.713	
Operational boundary for external debt	1,042.641	
Gross external debt	1,012.641	845.594
Investments	20.000	47.700
Net borrowing	**992.641**	**797.894**

Prudential indicator limits based on debt net of investments

- **Upper Limits On Fixed Rate Exposure** – This indicator covers a maximum limit on fixed interest rates.

- **Upper Limits On Variable Rate Exposure** – Similar to the previous indicator this identifies a maximum limit for variable interest rates based upon the debt position net of investments.

RMBC	2026/27 Original Indicator	June Position
Limits on fixed interest rates based on net debt	100%	90.80%
Limits on variable interest rates based on net debt	50%	9.20%

Maturity Structures of Borrowing

These gross limits are set to reduce the Council's exposure to large fixed rate loans (those instruments which carry a fixed interest rate for the duration of the instrument) falling due for refinancing.

RMBC	2026/27 Original Indicator		June Position	
	Lower	Upper	%	£m
Under 12 months	0%	50%	19.32%	137.000
12 months to 2 years	0%	35%	9.17%	65.000
2 years to 5 years	0%	45%	0.71%	5.000
5 years to 10 years	0%	45%	0.71%	5.000
10 years to 20 years	0%	45%	5.16%	36.608
20 years to 30 years	0%	50%	7.95%	56.336
30 years to 40 years	0%	50%	11.99%	85.000
40 years to 50 years	0%	60%	35.12%	249.000
50 years and above	0%	60%	9.87%	70.000

Total Principal Funds Invested

These limits are set to reduce the need for the early sale of an investment and show limits to be placed on investments with final maturities beyond each year-end.

The Council currently has no sums invested for periods exceeding 364 days due to market conditions. To allow for any changes in those conditions the indicator has been left unchanged.

RMBC	2026/27 Original Indicator £m	June Position £m
Maximum principal sums invested > 364 days	10	0
Cash deposits	10	0

Rotherham Metropolitan Borough Council

Public Report

Audit Committee

Committee Name and Date of Committee Meeting:
Audit Committee – 28 July 2026

Report title:
External inspections, reviews, and audits update

Is this a Key Decision and has it been included in the Forward Plan?
No

Executive Director Approving Submission of the Report:
Jane Maxwell, Director of Policy, Strategy and Engagement

Report Author(s):
Katie Stead (Policy, Improvement and Risk Manager)
Policy, Strategy and Engagement Directorate
katie.stead@rotherham.gov.uk

Ward(s) Affected:
All

Report Summary:

In line with the Audit Committee terms of reference, the purpose of this report is to provide an overview of the recent external inspections, reviews, and audits. The report also provides assurance that ongoing and outstanding recommendations from earlier inspections, audits and reviews, are being progressed.

The report includes a summary of progress against the recommendations from all external inspections, reviews and audits and sets out the details of arrangements for ensuring the accountability and governance around their implementation.

Recommendations:

That Audit Committee:

- Note the recent external inspections, reviews and audits which have taken place and the progress made in implementing the recommendations since the last report in January 2026.
- Note the governance arrangements that are currently in place for monitoring and managing the recommendations.

- Continue to receive regular reports in relation to external inspections, reviews and audits and the progress made.

List of Appendices Included:

Appendix 1 – External Inspections, Reviews and Audits – 29 May 2026

Background Papers

External audit and inspection recommendations reports to Audit Committee every six months, most recently 13 January 2026 and 29 July 2025.

Consideration by any other Council Committee, Scrutiny or Advisory Panel
None

Council Approval Required
No

Exempt from the Press and Public
No

External audits, inspections, and reviews update

1. Background

1.1 In line with the Audit Committee terms of reference, the purpose of this report is to provide details of the recent external inspections, reviews and audits across the Council and assurance that recommendations and areas for improvement are being progressed.

1.2 The last report was presented to Audit Committee on 13 January 2026. The report referred to external inspections, reviews and audits that had taken place since July 2025.

2. Key issues

2.1 This report focusses on progress since the last Audit Committee meeting in January 2026 and is intended to provide an overview of the outcomes of external inspections, reviews, and audits. The report also aims to provide Audit Committee with assurance that arrangements are in place for managing the Council's response, including effective governance arrangements.

2.2 Governance arrangements are in place for monitoring and managing external inspection, review, and audit recommendations within each directorate. Regular progress against the recommendations is reported and considered quarterly by the Strategic Leadership Team.

2.3 Six new inspections, reviews, and audits have been completed since January 2026. These are:

Adult Social Care, Housing and Public Health

Title	Date	Purpose	Outcome
Homes England Compliance Audit	January 2026	The Compliance Audit report confirms that grant recipients have met Homes England's funding conditions and contractual requirements and have properly exercised their responsibilities as set out in the Capital Funding Guide.	Final Grade Green - Meets requirements (highest grade achievable) with no breaches identified.

Inspection of Adult Social Care conducted by Care Quality Commission*	February – July 2025	To assess how well the Council is meeting its responsibilities to ensure people have access to adult social care and support under the Care Act (2014)	Rating of 'good'

Regeneration and Environment

Title	Date	Purpose	Outcome
Prevent Duty Benchmarking Assessment (Home Office)	March 2026	Undertaken annually.	All seven assessed areas were marked as exceeding. There were 3 recommendations.

Corporate Services

Title	Date	Purpose	Outcome
Teachers Pensions Audit 2024/25 (KPMG)	August 2025	Required Annually by legislation.	Audit passed with no recommendations.
Pooling of Local Authority Housing Receipts 2024/25 (KPMG)	November 2025	Required Annually by legislation.	Audit passed with no recommendations.
External assessment of Internal Audit (CIPFA)	November 2025	Required every five years by the Global Internal Audit Standards.	Rating is it 'Generally Conforms to the Global Internal Audit Standards (UK Public Sector). There are 5 action points included.

2.4 There are also a number of inspections, reviews and audits which either remain as ongoing status (no change since the last report in January) or have commenced since January and where the outcomes are still awaited. These are:

Reported as ongoing in January (and remain ongoing):

- Housing Benefit Audit 2023/24 conducted by Grant Thornton commenced in May 2025
- Housing Benefit Audit 2024/25 conducted by Grant Thornton

- Exemplar accreditation conducted by the Tenant Participation Advisory Service (Tpas) commenced in March 2025

New since January, and ongoing:

- Inspection of Youth Justice Work with Children and Victims conducted by HMIP between February and March 2026

2.5 As part of the Council's commitment to continuous improvement it is proactive in determining where reviews can identify opportunities for improvement in service delivery. For example, Officers are seeking external support to review the processes and approach to large capital regeneration projects.

2.6 Appendix 1 provides a high-level of overview of the recommendations and areas for improvement as well as the progress the Council has made in responding to these. Once recommendations and areas for improvement are complete or closed and have been reported to Audit Committee, they will be removed from the list. Where possible to do so, recommendations and actions have been grouped together under themes.

2.6 A total of 37 recommendations or areas of improvement are listed in the tracker. 21 have been completed since the last report (June status is blue), including seven which were delayed in the previous report (January status was amber or red). 16 remain ongoing, of which 7 are delayed (June status is amber), including two that are delayed by more than 12 months (June status is red). The reasons for the delays are summarised within Appendix 1.

2.7 With regards to residential children's homes inspections, recommendations and progress are considered monthly with oversight from the "Regulation 44" visits and Ofsted. This is more frequent than the Audit Committee schedule and therefore any recommendations and progress against these are not included within the reports to Audit Committee. Since January there have been two inspections identifying significant improvements achieved.

2.8 The status ratings applied to demonstrate the current position for each inspection, review, and audit include:

Complete	All recommendations/areas for improvement are fully complete
In progress and on track	All recommendations/areas for improvement are on track to be delivered by the original agreed deadline
In progress and partly delayed	Recommendations/areas for improvement progressing, however target date for one or more area is behind the original agreed deadline
Significant delay	All recommendations/areas for improvement delayed or one area delayed more than twelve months past the original agreed deadline
No action required	There are no recommendations/areas for improvement, or the outcome is not yet known

3. Lessons learnt

3.1 The Council continues to share learning from external inspections, reviews and audits across services and other directorates, where appropriate, to prevent future concerns/problems arising and enhance service delivery.

3.2 Furthermore, the LGA Corporate Peer Challenge report noted that the Council had *'opened itself to a range of peer reviews to support a learning culture'.* The report also stated, *'The council has undergone an impressive transformation and has many exemplary and commendable practices that other councils can learn from'.*

4. Options considered and recommended proposal

4.1 Audit Committee to note the recent external inspections, reviews and audits which have taken place, and the progress made in implementing the recommendations since the last report in January 2026.

4.2 Audit Committee to note the governance arrangements that are currently in place for monitoring and managing the recommendations.

4.3 Audit Committee to continue to receive regular reports in relation to external inspections, reviews and audits and the progress made.

5. Consultation on proposal

5.1 Not applicable to this report.

6. Timetable and Accountability for Implementing this Decision

6.1 The timescale for each recommendation varies depending on the individual inspection or audit. Target dates for each are included on Appendix 1.

6.2 The next report will be presented to Audit Committee in January 2027.

7. Financial and Procurement Advice and Implications

7.1 There are no direct financial and procurement implications as a result of this report.

7.2 Audits relating to finance and procurement and any related recommendations are outlined in the main body of the report.

8. Legal Advice and Implications

8.1 There are no direct legal implications arising from the recommendations within this report.

8.2 Audits relating to legal services and any recommendations are outlined above.

9. Human Resources Advice and Implications

9.1 There are no Human Resources implications.

10. Implications for Children and Young People and Vulnerable Adults

10.1 The recommendations in relation to inspections in both Children and Young People's Services and Adult Social Care have direct implications on the quality of services provided to children, young people and vulnerable adults. Completing the recommendations will improve outcomes for these groups.

11. Equalities and Human Rights Advice and Implications

11.1 When implementing changes and improvements services are to consider the impacts on services users and communities, including an individual or group with a protected characteristic. This may require the completion of an equality analysis to advance and maximise equality as well as eliminate discrimination and negative consequences.

12. Implications for CO2 Emissions and Climate Change

12.1 There are no direct CO2 emissions and climate change implications.

13. Implications for Partners

13.1 Partnership approaches are key to improving services and the improvements need to be of a multi-agency nature and owned across the partnership.

14. Risks and Mitigation

14.1 There is a risk that actions are reported as completed without substance, it is important that arrangements are in place as part of the respective quality assurance regimes and monitored through performance management, evidencing not just completion of actions, but the associated outcomes. As governance arrangements are strengthened, these risks become mitigated.

15. Accountable Officer(s)

Fiona Boden, Head of Policy, Performance and Intelligence

Approvals Obtained from:-

Jane Maxwell, Director of Policy, Strategy and Engagement

This report is published on the Council's website or can be found at:

Browse meetings - Audit Committee - Rotherham Council

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External inspections, reviews and audits recommendations/areas for improvement – Updates as of 29 May 2026

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Children and Young People's Services							
Ofsted Focused Visit *To review the arrangements for children in need or subject to a child protection plan.* *Usually undertaken every three years as part of the ILACS Inspection Programme.*	Focused visit: 14 and 15 May 2024 Published: 12 July 2024	**Overall outcome:** The response to children who are subject to child-in-need and child protection planning is very effective. A stable senior leadership team is unstinting in its determination to make children in Rotherham safer and improve their outcomes. Strong corporate support ensures a whole-council approach to understanding children's vulnerability and responding to risk and need. Four areas for improvement were identified. **Overall progress:** An action plan is in place to address the recommendations from the peer review. Progress is overseen by the CYPS Evidence Challenge Panel and CYPS DLT. One area for improvement is complete.					
		Area for improvement 1: Identify children's unique needs and characteristics to better inform their plans and how they will be helped and supported. And **Area for improvement 4:** Reduce length of children's plans as these are overly long. Note: The progress updates for Area for Improvements 1 and 4 have been combined as they	Oct-24	Revised target TBC			**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		relate to both areas for improvement.					
		Area for improvement 2: Reduce Child and Adolescent Mental Health Services (CAMHS) waiting lists.	Dec-25	N/A			**Complete**
Ofsted Area SEND inspection of Rotherham Local Area Partnership *To review the special educational needs and/or disabilities (SEND) arrangements.*	Inspection date: 30 September 2024 – 4 October 2024 Report published: 14 November 2024	**Overall outcome:** The local area partnership's special educational needs and/or disabilities (SEND) arrangements typically lead to positive experiences and outcomes for children and young people with SEND. The local area partnership is taking action where improvements are needed. The next full area SEND inspection will be within approximately five years. Ofsted and the Care Quality Commission ask that the local area partnership updates and publishes its strategic plan based on the recommendations set out in this report. Two areas for improvement were identified. **Overall progress:** The final report and recommendations from the inspection were published on the 14 November 2024. As recognised in the report, work was already ongoing prior to the inspection in relation to the two areas for improvement and will continue. Progress will be monitored by the local area SEND and AP Partnership board and overseen by the CYPS Evidence Challenge Panel and SEND Executive Board.					
		Area for improvement 1					
		New and revised EHCPs are consistently compliant with statutory guidance. The target is for 50% to be compliant by December 2025; and 60% compliant by September 2026.	September 2026	N/A			**Complete**
		Area for improvement 2					
		Evidence sustained compliance to a trajectory to reduce occupational therapy waiting times.	March 2026	Q1 2027/28			**In progress and on track** The trajectory for Occupational Therapy has not yet been defined due to the agreement of a new project to divert referrals being agreed which will hopefully impact on

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
							demand. The new project is due to start in June 2026/27. The due date for this action should be amended to reflect the trajectory will not be agreed until September 26 and will need time to embed. A revised completion date for this action to reflect the trajectory and allow time for this to embed will be agreed in September 2026.
		Evidence sustained compliance to a trajectory to reduce waiting times for speech and language therapy.	March 2026	Q1 2027/28			**In progress and on track** The trajectory for Speech and Language Therapy has not yet been defined due to the agreement of a new project to divert referrals being agreed which will hopefully impact on demand. The new project is due to start in June 2026/27. The due date for this action should be amended to reflect the trajectory will not be agreed until September 26 and will need time to embed. A revised completion date for this action to reflect the trajectory and allow time for this to embed will be agreed in September 2026.
Ofsted ILACS Short Inspection *To assess whether local authorities previously rated good or outstanding have maintained high standards in children's services.*	27 Oct – 7 Nov 2025 Report Published 16 December 2025	**Overall outcome:** Following the inspection, Rotherham's Children and Young People's Services received an overall judgement of Outstanding. **Overall progress:** The final report and recommendations from the inspection were published on the 16 December 2025. Work was commenced to address the two areas for improvement identified in the report ongoing prior to the inspection in relation to the two areas for improvement and will continue. Progress will be monitored and overseen by the CYPS Evidence Challenge Panel and SEND CYPS DLT.					
		Area for improvement 1. Improve the quality of pathway plans for care leavers.	September 2026	N/A	New		**In progress and on track**
		Area for improvement 2. Improve the quality of health history information provided to care leavers.	July 2026	N/A	New		**In progress and on track**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Adult Care, Housing and Public Health							
Housing Revenue Account (HRA) Business Plan Review The review was commissioned by the Housing Service and carried out by Savills. The aim of it was to: Carry out a full review of business plan assumptions Provide advice on reserves levels, insurance approaches and stock investment assumptions (while awaiting stock condition data) Review the current development viability model (ongoing) Provide benchmarking Information.	November 2024	**Overall outcome:** Key messages on reviewing the 2024/25 HRA Business Plan: • Viable but prudent business plan. • Ambitious development programme compared to other authorities of a similar size. • Lower than average level on investment in existing stock. • Opportunity to utilise revenue resources within the business plan in a different way • Adopt a strategic approach moving forwards to assess capacity and headroom within the business plan. This will be done through an Investment Framework consisting of a number of metrics. • Carry out scenario modelling and stress testing to understand how changing assumptions impact the HRA Business Plan and identify risks. **Overall Progress:** A HRA Business Plan governance structure has been put in place via the HRA Business Plan Review Group. The Group meets quarterly and is chaired by the SD of Housing/ SD of Finance. The group review the performance of the HRA against the HRA Business Plan, ensuring the strategic financial management of the HRA Business Plan over the medium/long term. An Investment Framework Workplan has been put in place and progress is monitored via the HRA Business Plan Review Group					
		Recommendation 1: - Metrics, Capacity & Headroom	April 2025	March 2026			**Complete**
		Recommendation 2: - Stress Testing & Risk	April 2025	March 2026			**Complete**
Adult Social Care Peer Review *(led by the Association of*	January 2025	**Overall outcome:** An outcome, in terms of a rating, is not provided. However, key messages, areas of strength and areas for consideration are provided:					

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Directors of Adult Social Services - ADASS) The peer review was commissioned by ASC to measure preparedness for Care Quality Commission (CQC) and provide assurance against the CQC assessment.		• Strong political and corporate support for adult social care and confidence in the adult social care leadership team to deliver • Strong relationships with partners, demonstrated through the work of the safeguarding adults board and the shared commitment to continued investment in prevention and health partnerships (amongst many examples) Evidence that a person-centered and strengths-based approach is becoming increasingly embedded • Access to, and investment in, learning and development opportunities and the learning and development team • A robust approach to quality and risk management, with providers appreciating the benefit of high challenge, high support • Zero delays for home care and good capacity for supported living for some people • Celebrate more the good work that is happening • Robust assurance and performance system in place. More focus needed on articulating the outcomes and experience of people • Further work to embed the voice of people with lived experience in day-to-day work and change initiatives • Recruitment & retention is a challenge although the existing workforce are committed and proud to work in Rotherham - "I wish I had come here earlier", "We want the best for people", "I love the people I work with**",** "Best job ever". **Overall progress:** Recommendations cover the 4 themes against which CQC will assess local authorities: Working with People, Providing Support, Ensuring Safety and Leadership. 17 considerations for the service to progress with 9 completed. The programme of improvement is being driven by the service's Regulatory Assurance Board.					
		THEME 1: Working with People	March 2026	N/A			**Complete**
		THEME 2: Providing Support	March 2026	N/A			**Complete**
		THEME 3: Ensuring Safety	December 2025	N/A			**Complete**
		THEME 4: Leadership	March 2026	N/A			**Complete**
Formal full CQC Inspection of Davies Court (***The Care Quality Commission (CQC))***	September 2025	**Overall outcome:** Overall rating of GOOD. Recommendations were made relating to medication storage, administration of thickener and the embedding of audits. **Overall progress:** Changes have been made to how thickener is administered and who can prescribe this. The medication check-in process has been updated to reflect feedback from the inspection process.					
		Theme 2 – Well-led: New systems need	January 2026	TBC			**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Comprehensive inspection assessing that the service is providing care that's safe, caring, effective, responsive to people's needs and well-led.		to be embedded for audits and reviews and sustained into practice.					

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Regeneration and Environment							
Sports Ground Safety Authority – Local Authority Audit *(Sports Ground Safety Authority (SGSA))* *An audit by the National regulator to assess the Council's delivery of statutory functions under the Safety at Sports Grounds Act 1975. The audits are carried out at a frequency determined by risk assessment.*	29 August 2024	**Overall outcome:** Excellent progress has been made with the recommended actions from the previous audit with all items being completed satisfactorily. The Council was rated as low risk and three recommendations were made. **Overall progress:** Recommendations one and three have been accepted the one remaining outstanding recommendation will be implemented within the next 6 months.					
		Recommendation 2: A tabletop exercise that included stadium staff and emergency services has not taken place for some time and the LA will ensure this is carried out by the club this season. (review date August 2026)	Review date August 2026	N/A			**Complete**
Prevent Duty Benchmarking Assessment *(Home Office)* *Undertaken by the home office annually to ensure compliance under section 29 of the counterterrorism and security act 2015 ('ctsa 2015'), specified authorities are required to have due regard to the need to prevent people*	March 2026	**Overall outcome:** All 7 assessed areas rated as exceeding marks. 7 criteria are marked either (not met, met, or exceeding). **Overall progress:** Recommendations from last year are complete. Recommendations were received formally in May 2026.					
		1.The local authority should look to provide an appropriate risk matrix to better develop the risk assessment that offers a RAG rating demonstrating how mitigations address the risks in the region.	April 2027	N/A	New		**In progress and on track**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
from being drawn into terrorism.		2.The local authority should consider expanding its training plan to encompass the training requirements of the 3.The local authority should implement a formal policy to ensure that Prevent specific concerns are sent to Prevent staff when IT policy has been breached in relation to Prevent. The local authority should also expand its reach to local authority owned systems such as public libraries to ensure that a notification is sent to the Prevent team and appropriate follow up actions are taken.					

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Corporate Services							
2023/24 VFM Arrangements *(Grant Thornton)* *Required annually by legislation.*	November 2024	**Overall outcome:** The Council received a positive outcome in its Value For Money report from Grant Thornton. Findings noted the Council's improvement journey and commented that the Council's financial position is strengthening, though referenced that the Local Authority financial environment remains challenging with a number of Local Authorities issuing S114 notices due to the rising demand and inflation challenges facings the sector. The report noted the Councils robust Budget and Medium-Term Financial Strategy and its clear narrative about how the Council is addressing the challenges it faces and planned ahead coherently for the future. The report also noted that the Council had identified some significant challenges around its buildings and housing stock linked to compliance and condition surveys that it had set out clear plans to address. To support the Council in dealing with these challenges Grant Thornton have put forward 4 key improvement recommendations working with Council officers. 10 new recommendations made. 2 are key improvement recommendations and 8 are improvement recommendations where the Council can choose to implement or not. **Overall progress:** Work is underway to implement the 2 key improvement recommendations and give due consideration to 8 improvement recommendations as to whether the Council should implement these or not. One improvement recommendation has so far been considered and cleared (IR5) and as work progresses on the improvement recommendations options will be considered that will lead to either the implementation of the recommendation or the recommendation from Council officers that a recommendation is not implemented.					
		REC KR1: The Council needs to: • continue improving its HRA compliance data robustness and validity. • ensure contract management arrangements are put in place with its HRA contractors.	TBC	N/A			**In progress and on track**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		• improve compliance with decent homes standards. • work to improve its understanding of category 1 hazards in its housing stock. • continue improving vulnerability policies for the HRA in line with emerging best practice from the regulators. • use the stock condition data to inform its asset management and capital investment plans.					
		Rec KR2: The Council should: • Undertake stock condition surveys to develop its understanding of its assets, their state and their level of health and	Sept 2026 March 2026	N/A May 2026 (Complete)			**In progress and on track**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		safety compliance. • Put in place management plans and landlord inspections where required and ensure it is getting value for money for its assets. • Ensure it has an assets management system for its properties and other assets and that data in the system is accurate, enabling management of health and safety compliance. • Ensure compliance contract management is put in place and regular performance monitoring of these contracts is put in place.	March 2027 March 2026 (Complete)				

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		REC IR4: The Council should continue to strengthen its counter-fraud controls by developing a corporate counter-fraud risk register and ensuring counter-fraud risks in departmental risk registers are updated. It also needs to enhance its counter-fraud plan.	March 2026	September 2026			**In progress and slightly delayed** We will update the directorate and corporate fraud risks and liaise with Fraud Risk Champions on these. The Counter Fraud Plan was enhanced as part of the 2024-25 audit planning process and where relevant further improvements will be made. The Counter Fraud Plan for 2025-26 includes both a reactive and proactive element in accordance with best practice. A corporate fraud risk register is in place. We are continuing to liaise with directorate risk champions to update the directorate fraud risks.
		Rec IR6: The Council should develop and publish a Procurement Strategy. This should set procurement strategic priorities that align with the Council's priorities such as net zero and	March 2026	N/A			**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		capture changes to procurement following the Procurement Act (2023) and the national Procurement Policy Statement (2024). It should include measurable actions and indicators with clear accountabilities and an annual review process. The Strategy should be widely communicated to staff and members to raise awareness of their responsibilities.					
		REC IR7: The Council should develop a corporate data quality policy and ensure this is used to inform a data quality review. It could look to the national data quality framework to guide this work.	March 2026	December 2026			**In progress and slightly delayed** The Council will look to create a Corporate Data Quality Policy. Following the recruitment of a permanent Director of Policy, Strategy and Engagement initial work has now commenced on the development of a new Data Quality Strategy. **Note** – although situated under Corporate Services for the purposes of reporting, the Policy Strategy and Engagement directorate are responsible for implementation of this recommendation.
2024/25 VFM Arrangements *(Grant Thornton)*	November 2025	**Overall Outcome:** The Council received a positive outcome in its Value For Money report from Grant Thornton. Findings noted the Council's improvement journey and commented that the Council's financial position is strengthening, though referenced that the Local Authority financial					

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Required annually by legislation.		environment remains challenging with a number of Local Authorities issuing S114 notices due to the rising demand and inflation challenges facings the sector. The report noted the Councils robust Budget and Medium-Term Financial Strategy and its clear narrative about how the Council is addressing the challenges it faces and planned ahead coherently for the future. The report also noted that the Council had identified some significant challenges around its buildings and housing stock linked to compliance and condition surveys that it had set out clear plans to address. To support the Council in dealing with these challenges Grant Thornton have continued to report 2 Key Recommendations. **Overall progress: There** are 7 Improvement Recommendations and 2 Key Recommendations, the majority of which are actions carried forward from the 2023/24 VFM report as the action required more than 12 months to deliver.					
		IR1: The Council should ensure financial sustainability fully address pressures faced in the short and medium-term. This includes: • Placing an emphasis on delivering its agreed financial trajectory in line with the Safety Valve Agreement and consider alternative arrangements to lower its forecasted deficit for 2025/26. • Fully delivering its children and young people's services (CYPS) savings targets in 2025/26.	March 2026	N/A			**Complete**
		IR4: Recommendation is	March 2026	September 2026			**In progress slightly delayed**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		the same as IR4 from the 2023/24 VFM arrangements.					Internal Audit will continue to liaise with the directorate risk champions to update the directorate fraud risks.
		IR5: Recommendation is the same as IR6 from the 2023/24 VFM arrangements.	March 2026	N/A			**Complete**
		IR6: Recommendation is the same as IR7 from the 2023/24 VFM arrangements.	March 2026	December 2026			**In progress and slightly delayed** The Council will look to create a Corporate Data Quality Policy.
		IR7: As part of ongoing improvements in contract management, the Council should consider: • Introducing contract tiering (gold/silver/bronze). • Managing contracts based on risk. • Seeking further assurance that new arrangements in place are embedded and effective. • Introducing reporting on waiver activity and SFI breaches to a relevant Member-led committee, at least	March 2026	September 2026			**In progress and slightly delayed** The Council commissioned an internal audit review linked to contract management that identified a number of areas of improvement around understanding of roles and responsibilities of contract managers, the outcome of the recommendations was that each Directorate has had to develop recommendations to improve contract management and contract managers understanding of roles and responsibilities in their Directorate and take greater ownership. In addition, the Council plans to introduce corporate guidance around contract management, training and advice.

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		annually and ideally more frequently, to allow enhanced monitoring and challenge of themes and trends.					
		KR1: Recommendation is the same as KR1 from the 2024/25 VFM arrangements.	September 2026	N/A			**In progress and on track**
		KR2: Recommendation is the same as KR2 from the 2024/25 VFM arrangements.	September 2026	N/A			**In progress and on track**
Statement of Accounts 2023/24 ***(Grant Thornton)*** Required annually by legislation.	November 2025	**Overall outcome:** The Council received a clean audit opinion again (unmodified), this is the best outcome that can be received on local authority accounts. The auditors were again positive in assessing the Council's Financial Controls, Governance and standing and praised the effective work of the team, senior management in finance in ensuring that continues to be the case in challenging conditions. The Council continues to be one of a handful of Council's that has all its accounts signed off, with many a number of years behind. There were five recommendations made to support the Council's work towards new accounting changes that have not yet come into force, along with suggested control improvement in the Council's IT environment. **Overall progress:** All recommendations are now complete.					
		Rec 4: Where possible, generic accounts should be removed, and individuals should have their own uniquely identifiable user accounts created to ensure accountability for	March 2026	N/A			**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		actions performed. Alternately, management should implement suitable controls to limit access and monitor the usage of these accounts (i.e. through increased use of password vault tools / logging and periodic monitoring of the activities performed). Where monitoring is undertaken this should be formally documented and recorded					
		Rec 5: It is recommended that security event logs are reviewed on a regular basis for example daily or weekly, ideally by an IT security personnel / team who are independent of those administrating [the application] and its underlying database.	March 2026	N/A			**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		Any issues identified within these logs should be investigated and mitigating controls implemented to reduce the risk of reoccurrence					
Statement of Accounts 2024/25 (Grant Thornton) Required annually by legislation.	November 2025	**Overall outcome:** The Council received a clean audit opinion again (unmodified), this is the best outcome that can be received on local authority accounts. The auditors were again positive in assessing the Council's Financial Controls, Governance and standing and praised the effective work of the team, senior management in finance in ensuring that continues to be the case in challenging conditions. The Council continues to be one of a handful of Council's that has all its accounts signed off, with many a number of years behind. The audit made two recommendations to ensure compliance with the CIPFA Code of Practice in presenting short-term debtors and to improve the availability of source data for calculating the accumulated absences accrual. **Overall progress:** All recommendations are on track for delivery as part of the 2025/26 accounts preparation.					
		REC1: It is recommended that the presentation of the short-term debtors note is refreshed in the 2025-26 financial statements and the note disaggregated and presented based on the nature of the short-term debtors. This should enable the Council to be compliant with the requirements of the Code.	June 2026	N/A	New		**Completed**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		REC2: It is recommended that work in undertaken in the remainder of 2025-26 to obtain the relevant source data used in the accumulated absences accrual. It is also recommended that a working paper is prepared by the financial accounting team and shared with the audit team as part of the working paper requests in 2025-26 in order to better demonstrate the basis for the accumulated absences accrual in the financial statements.	June 2026	N/A	New		**Completed**
External assessment of Internal Audit *(CIPFA)* *External Quality Assessment of Conformance with the standards in the UK Public Sector required every five years by the*	November 2025	**Overall outcome:** Rating it is 'Generally Conforms to the Global Internal Audit Standards (UK Public Sector)**.** There are 5 action points included, and 10 advisory points included in the feedback. Only the action points will be reported here. **Overall progress:** 1 of the 5 action points have been completed as of March 2026. **Note:** This report was presented to Audit Committee in March 2026 respective to this report so the detail included in this appendix will be concise to avoid undue duplication.					
		Action point 1 (Low priority). We recommend strengthening	June 2026		New		**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Global Internal Audit Standards.		internal auditors' mandatory recording and retention of all Continuing Professional Development (CPD) records to ensure the documentation comprehensively supports training undertaken.					
		Action point 2 (High priority). Establish a formal Service Level Agreement (SLA) between the authority and Salford IT audit services to mitigate potential legal and regulatory risks associated with third-party data protection and accountability. Senior management and the Monitoring Officer should evaluate the risks inherent in the current absence of an SLA, report findings to the board, and assess whether similar risk exposures exist across other authority contracts.	May 2026		New		**Complete**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		Action point 3 (Medium priority) It is recommended that senior management strengthen assurance mapping; whilst this is not the responsibility of the internal audit function they can support, advise and contribute to this activity. Comprehensive assurance mapping should include both internal and external assurance providers, thereby facilitating improved coordination, avoiding duplication, and enabling the board and senior management to accurately determine the optimal scope and types of internal audit services required.	March 2027		New		**In progress and on track**
		Action point 4 (High priority) The board and senior management should ensure implementation of clear, robust	September 2026		New		**In progress and on track**

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
		safeguards over the HIA's whistleblowing and also the HIA's broader responsibilities for AFC. This should include prompt review of the HIA's dual responsibilities as the Whistleblowing Officer and investigator for fraud and corruption cases, as combining these roles risks impairing independence. Consideration should be given to implementing a separate, independent assurance mechanism specifically tasked with providing assurance over the HIA's involvement in the whistleblowing process and the HIA's wider AFC responsibilities.					

Title and purpose	Date	Outstanding recommendations	Original target date for completion	Revised target date for completion	Status January 2026	Status June 2026	Progress update
Policy, Strategy and Engagement Directorate							
LGA Corporate Peer Challenge *Expectation that councils receive a peer review every five years to provide robust, strategic, and credible challenge, whilst also enhancing capacity and helping to avoid insularity.*	June 2023	**Overall outcome:** Positive feedback received which stated: "Rotherham Metropolitan Borough Council serves the town well and is today an impressive organisation. Being named the 'Most Improved Council' in the country at the Local Government Chronicle (LGC) Award in 2022 provides ample evidence that it is now in a very good place. It is ambitious and has well-established and robust foundations, along with several notable and commendable practices that other councils can learn from" and seven recommendations made. **Overall progress:** Action plan agreed by Cabinet in September 2023 included 20 actions which are being progressed. Progress is overseen by the Strategic Leadership Team and where relevant, actions for 2024-25 were included in the Year Ahead Delivery Plan.					
		Recommendation 3: Use the significant investments underway to expand and attract private sector investment at scale, maximising its potential and supporting a more inclusive economic future.	March 2026	n/a			**Complete** As all work schemes are in place and underway this action has now been achieved this action has now been absorbed into existing workplans and business as usual practice. **Note** – although situated under ACEX for the purposes of reporting, the Regeneration and Environment Directorate are responsible for implementation of this action.

Status key

Complete	Recommendations/areas for improvement are fully complete
In progress and on track	Recommendation/area for improvement on track to be delivered by the original agreed deadline
In progress and partly delayed	Recommendation/area for improvement progressing, however target date behind the original agreed deadline
Significant delay	Recommendations/area for improvement delayed by more than twelve months past the original agreed deadline
No action required or outcome unknown	No recommendation/area for improvement, or the outcome is not yet known

Residential Children's Homes – Inspection Outcomes

Residential children's homes are inspected by HMI Ofsted under the Social Care Common Inspection Framework (SCCIF) and focus on evaluating the impact of care and support on the experiences and progress of children.

Following inspection, the children's home will receive an overall judgement based on the experiences and progress of children and young people, of Outstanding, Good, Requires Improvement to be Good, or Inadequate.

Where requirements or recommendations are made, an action plan is developed which is submitted to Ofsted detailing the progress.

The Children Act 1989 Guidance and Regulations stipulates the requirement for monthly oversight visits to Children's Homes. These visits, known as Regulation 44 Visits, are carried out under **Regulation 44 of the Children's Homes Regulations 2015**. All residential children's homes in Rotherham receive an Independent Reg 44 visit monthly, undertaken by an Independent Person from NYAS (an independent children's rights charity). The registered Person from National Youth Advocacy Service (NYAS) seeks independent scrutiny of the home and makes best use of information to ensure continuous improvement, this includes independent oversight of any requirements or recommendations following a previous visit and/ or inspection. Ofsted reviews the content of Regulation 44 reports to inform the next inspection and uses the information to decide if we need to take any other action.

All Ofsted reports are published in the public domain, however the identity (location) of the homes remain confidential and are not disclosed in the reports. Recommendations and progress against recommendations are considered monthly with oversight from the Reg 44 visits and Ofsted. This is more frequent than the Audit Committee schedule and therefore any recommendations and progress against these are not included within these reports as they would be out of date before they were published.

The following table provides the current ratings for our seven registered children's homes.

Residential Children's Home	037521	2662265	2597567	2629335	2775749	2759142	2812398	2832444 (Awaiting first inspection – only registered 16/07/25)
Date of Full Inspection	17 March 2026	20 May 2025	15 April 2025	13 January 2026	09 September 2025	01 December 2025	20 August 2025	
Overall experiences and progress of children and young people	Outstanding	Good	Good	Outstanding	Good	Good	Good	
Sub judgements								
How well children and young people are helped and protected	Outstanding	Good	Good	Outstanding	Good	Good	Good	
The effectiveness of leaders and managers	Good	Good	Good	Outstanding	Good	Good	Good	

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Rotherham Metropolitan Borough Council

Public Report with Exempt Appendices
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Risk Management Annual Summary 2025-2026 and Corporate Strategic Risk Register Update

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Jane Maxwell, Director of Policy, Strategy and Engagement

Report Author(s)
Katie Stead, Policy, Improvement and Risk Manager
Katie.Stead@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary
This report forms part of the Audit Committee's remit to regularly consider risk management.

The Risk Management Standard, ISO31000, suggests that every organisation produces an annual summary of risk management activity. This is the Council's seventh annual summary of risk management activity.

The report aims to summarise the principal risk management activity that has been carried out in the Council throughout the past financial year. It covers a wider range of topics than the regular report on the Corporate Strategic Risk Register and aims to reflect both the movements in strategic risks that have occurred over the period as well as key elements of the Council's risk management activity throughout the year.

Recommendations

1. The Audit Committee is asked to consider and note the annual summary of risk management activity

2. The Audit Committee is asked to consider and note the updates to the Corporate Strategic Risk Register and make any comments as necessary.

List of Appendices Included

Appendix 1 Full Corporate Strategic Risk Register at 12 June 2026.

Background Papers

Report to Audit Committee; 29 July 2025 (Annual Risk Management Summary 2024-2025)

Report to Audit Committee; 13 January 2026 (Corporate Strategic Risk Register update)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

This paper is not intended to be circulated to other Committees or Panels and is produced solely for the Audit Committee.

Council Approval Required
No

Exempt from the Press and Public

Yes.

An exemption is sought for Appendix 1 under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains information that refers to the affairs of third parties.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because failure to do so may result in disclosure of information about the financial or business affairs of Council suppliers and partners.

Risk Management Annual Summary 2025-2026 and Corporate Strategic Risk Register Update

1. Background

1.1 The Council's ongoing risk and assurance aims are to:

- Provide Members and Senior Officers with an understanding of the key risks facing the Council and its communities, and to show how these risks are being effectively mitigated
- Implement and maintain a fluid process for business-as-usual management of risks relevant to our objectives, outcomes, services and assets
- Align reporting mechanisms for finance, risk, audit and performance providing members and senior officers triangulated risk and assurance profiles.

1.2 This report aims to summarise the principal risk management activity that has been carried out within the Council throughout the past financial year. It also summarises the key movements in Strategic Risks that have occurred over the period and updates the Committee on the current risks on the Corporate Strategic Risk Register (CSRR).

2. Risk Management Responsibilities

2.1 The Council's Risk Management Policy and the separate Risk Management Guide both state that risk management is the responsibility of all Council officers. This is further set out in section 4.9 of the Policy where the specific responsibilities of all members and officers are detailed. In this section, all employees are required to:

- Understand risk and their role in managing risks in their daily activities, including the identification and reporting of risks and opportunities
- Support and undertake risk management activities as required
- Attend relevant training courses focussing on risk and risk management.

2.2 As well as the key responsibilities set out in the Policy, the Council has a group of Risk Champions. Each Directorate has at least one Risk Champion who leads on risk for their Strategic Director. The Risk Champions, Director of Policy, Strategy and Engagement and the Policy, Improvement and Risk Manager form the Risk Champions Group. This group is responsible for co-ordinating risk management across the Council.

2.3 Overall strategic responsibility for risk management rests with the Director of Policy, Strategy and Engagement, with day-to-day responsibility delegated to the Policy, Improvement and Risk Manager. The team working on corporate risk management also includes a "Corporate Improvement and Risk Officer". The team's responsibilities are wider than corporate risk management, but the presence of the additional post ensures that there is resilience in the Council's risk management activity.

2.4 Throughout the past year there have been Risk Champions in place for the following Directorates and Services:

- Children's and Young People's services
- Regeneration and Environment
- Corporate Services
- Corporate Services (Human Resources)
- Adult Social Care, Housing and Public Health (Housing)
- Adult Social Care, Housing and Public Health (Adult Care)
- Adult Social Care, Housing and Public Health (Public Health)
- Policy, Strategy and Engagement

2.5 In most cases, each Directorate also has a substitute or deputy Risk Champion who can stand in for the primary Risk Champion when required.

2.6 The Risk Champions' Group meets bi-monthly and has done so consistently over the past twelve months.

3. Training Summary

3.1 Comprehensive training is a fundamental foundation of the Council's approach to risk management. There are four core elements of the training programme which are:

- An online mandatory training course for all staff which is delivered through the e-learning system
- A mandatory two-hour risk management course for all M2 managers and above. This course is run by the Policy, Improvement and Risk team at least quarterly and is now delivered in both virtual and in person formats to provide the widest amount of flexibility for staff
- A two-day risk management training course which provides more in-depth training and is run each year by an external provider who is accredited by the Institute of Risk Management (IRM). This course is open to all staff but is a requirement for all Risk Champions and their deputies
- Specific training as required – this includes for elected members delivered as part of the member development programme and to Leadership Teams when required.

3.2 23 managers have attended the M2 course run since the last annual report in July 2025. Overall, 383 managers have completed the training since it was relaunched in January 2022 following a pause due to Covid restrictions. It should be noted that the delivery of the M2 manager course was paused in Autumn 2025 following the retirement of the previous Policy, Improvement and Risk Manager. With a new manager now in post, the course content is now being refreshed and is due to restart in August 2026.

3.3 Another session of the two-day IRM accredited course was run in March 2026. Ten staff successfully completed this course and, as a result, have received IRM accreditation following a short assessment and test. Again, the level of take up of this course is very encouraging with almost sixty managers having been accredited since 2022. It is currently intended to run the course again in early 2027.

3.4 As presented in last year's report, a course for elected members was delivered on the 22 February 2022 and was attended by fifteen members. A recording of

this course remains on the member training portal, for members to access when convenient and a further course will be delivered in the future, to enable members to benefit from the training.

3.5 Finally, the online risk management training course for all staff has seen increasing take-up since its relaunch in 2023. This short e-learning tool is required to be completed by all staff within 3 months of joining the Council and staff are also expected to re-complete it once every three years. As at the end of June 2026, 86% of all staff across the Council had completed the course. This can also be broken down by directorate:

- Regeneration and Environment – 85.48%
- Corporate Services – 79.25%
- Policy, Strategy and Engagement – 89.38%
- Children and Young Peoples Services – 88.31%
- Adult Social Care, Housing and Public Health – 87.32%

4. Risk Management Process

4.1 As set out in the Risk Management Policy and Guide, individual Service Management Teams (SMTs) and Directorate Leadership Teams (DLTs) have reviewed their risk registers in line with the Risk Management Policy and Strategy. Typically, teams review their registers every four to twelve weeks depending on the individual meeting cycle and the significance of the risks they are managing. The aim is to achieve best practice through DLTs considering risk at every meeting, but in a way that is proportionate to the risks being faced by the services in question.

4.2 The CSRR has been formally reviewed by the Strategic Leadership Team (SLT), at quarterly meetings. The regular cycle of quarterly reviews has been in place throughout the 2025-26 financial year and remains in place to date.

4.3 The CSRR is also reported regularly to the Audit Committee alongside the annual “deep dives” of Directorate Risk Registers. Additionally, the Policy, Improvement and Risk Manager, through the Risk Champions, ensures updates are obtained from all risk owners, reviews each update, and draws attention to issues or missing risk register updates.

4.4 The programme of Audit Committee risk register reviews for the 2025-26 financial year was completed as planned. A new annual cycle has been established, under which the Audit Committee will review all directorate risk registers at least once during the next 12 months and the CSRR twice within the same period.

4.5 In addition, the Policy, Improvement and Risk Team has facilitated work with a range of services throughout the Council to provide specific support on risk issues.

4.6 Internal Audit’s last review of Corporate Risk Management was completed in March 2024. This review focused on the arrangements in place for risk management in the Council throughout the year and specifically, to review whether:

- Previously agreed actions had been implemented (avoiding exposure of the Council to avoidable risk)
- The Council's Risk Management arrangements reflected the principles of good corporate governance
- Corporate risks were aligned with the new Council Plan.

4.7 Their conclusion was that there was "substantial assurance" that the controls within the Corporate Risk Management system were operating effectively. This is the highest assurance rating achievable and demonstrates that risk management processes continue to operate effectively.

5. Risk Profile for the 2025/2026 year

5.1 The Audit Committee receives reports on the overall status of the Council's strategic risks. The table below is derived from the CSRR's updates at quarterly monitoring points throughout the 2025/26 financial year, including both internal reporting to SLT and external reporting to the Audit Committee. The numbers shown in the table refer to the number of the individual strategic risk recorded on the CSRR. The arrows refer to the movement of risks from the start to the end of the financial year 2025/26.

Number	Risk Summary	Apr 25	Jun 25	Sept 25	Dec 25	Apr 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
Places are thriving, safe and clean							
SLT08	Failure to enhance community cohesion	10	10	10	10	10	→
SLT45	Highway Structures Inspection Regime	-	-	-	-	15	↑
Residents live well							
SLT03	Failure to deliver the Council Plan due to the pressures generated by the high cost of living	8	8	8	8	8	→
SLT07	Response to a future pandemic	8	8	8	12	8	→
SLT40	Council housing assets do not comply with regulatory standards	9	9	9	9	9	→
SLT41	Impact of the reduction in funding of the Integrated Care Board	-	12	12	12	20	↑
Children and young people achieve							
SLT01	Children's safeguarding	5	5	5	5	5	→
An economy that works for everyone							
SLT10	Failure to attract new business and investment	12	12	12	12	12	→
SLT37	Failure to manage and deliver regeneration programmes	9	9	9	9	9	→

Number	Risk Summary	Apr 25	Jun 25	Sept 25	Dec 25	Apr 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
One Council that listens and learns							
SLT36	Insufficient resources committed to Carbon Reduction Plan	9	9	16	16	16	↑
SLT38	Business Continuity - Closure of the Public Switched Telephone Network	8	-	-	-	-	↓
SLT11	Risk of lack of effective partnership working	8	8	8	8	8	→
SLT09	Communications fail to be of sufficient quality	9	9	9	9	9	→
SLT16	Financial plans and budget gap	10	10	10	10	10	→
SLT27	Health and Safety and operational risks from property	12	12	12	12	12	→
SLT42	Maintaining excellence in Health and Safety Service	-	-	9	12	12	↑
SLT43	Maintain skilled and capable Health and Safety workforce.	-	-	9	9	-	N/A
SLT44	Equal Pay Litigation	-	-	-	20	20	↑

5.2 In the chart above, the arrows indicate the movement of risks during the 2025/26 financial year. A summary of these movements, based on the Draft Annual Governance Statement presented to the Audit Committee in June 2026, is set out below:

- At the start of 2025/26, the CSRR comprised of 14 risks, with none assessed as red.
- The total number of strategic risks increased to 16 risks from 14 over the period from April 2025 to April 2026, five risks were added and three were removed following successful management. Of these risks, one was raised and removed within two reporting points (health and safety staffing).
- By the end of 2025/26, four risks on the CSRR were rated as red. Of the four red risks, three relate to new risks that were escalated up to the CSRR during 2025/26 (Equal Pay litigation, Highways structures maintenance and ICB funding/adult social care), while the remaining existing risk that was escalated from amber to red throughout the year related to Net zero target.

5.3 Members will recall that the 2024/25 report showed a slight increase in risk profile throughout the year for the first time in three years. This has continued into 2025/26 and active management throughout the year, has supported the successful management of this profile.

5.4 The following section of this report brings the Audit Committee up to date with the current CSRR position.

6. Corporate Strategic Risk Register at 12 June 2026

6.1 The trend of the strategic risks included in this update of the register is shown in the table below. Movements in this heat map are compared to the risks on the CSRR reported to Audit Committee in January 2026. Since that report was presented, one risk has been removed from the CSRR, and one new risk has been added. The new risk (SLT45) relates to the risks facing the Council associated with the Highway Structures Inspection Regime. The risk that has been removed (SLT43) concerned maintaining a skilled and capable Health and Safety workforce. This risk has been de-escalated from the CSRR following successful recruitment into the team. In total, there remains 16 risks on the CSRR.

6.2 Appendix 1 contains the complete CSRR at 12 June 2026. This detailed version includes information on current mitigations in place and makes clear what mitigations are still to be delivered. The document also sets out the current target level of risk for each risk. This final column is an expression of the Council's risk appetite for that risk.

Number	Risk Summary	Dec 25	Apr 26	Jun 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
Places are thriving, safe and clean					
SLT08	Failure to enhance community cohesion	10	10	10	→
SLT45	Highway Structures Inspection Regime	-	15	15	→
Residents live well					
SLT03	Failure to deliver the Council Plan due to the pressures generated by the high cost of living	8	8	8	→
SLT07	Response to a future pandemic	12	8	8	↓
SLT40	Council housing assets do not comply with regulatory standards	9	9	9	→
SLT41	Impact of the reduction in funding of the Integrated Care Board	12	20	15	↑
Children and young people achieve					
SLT01	Children's safeguarding	5	5	5	→
An economy that works for everyone					
SLT10	Failure to attract new business and investment	12	12	12	→
SLT37	Failure to manage and deliver regeneration programmes	9	9	15	↑
One Council that listens and learns					
SLT36	Insufficient resources committed to Carbon	16	16	16	→

Number	Risk Summary	Dec 25	Apr 26	Jun 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
	Reduction Plan				
SLT11	Risk of lack of effective partnership working	8	8	8	→
SLT09	Communications fail to be of sufficient quality	9	9	9	→
SLT16	Financial plans and budget gap	10	10	10	→
SLT27	Health and Safety and operational risks from property	12	12	12	→
SLT42	Maintaining excellence in Health and Safety Service	12	12	12	↑
SLT43	Maintain skilled and capable Health and Safety workforce.	9	-	-	↓
SLT44	Equal Pay Litigation	20	20	20	→

7. Future Developments

7.1 With a Policy, Improvement and Risk Manager now in post, the M2 manager training on risk management will be re-started in August 2026. The content of the course will be refreshed in relaunching this support for managers.

7.2 Finally, the Corporate Risk Management Guide will once again be refreshed in the latter part of 2026, with a revised version presented to the Audit Committee for approval at its November meeting.

8. Options considered and recommended proposal

8.1 Not applicable.

9. Consultation

9.1 The risks included in this report have been drawn from Directorate Risk Registers and the Corporate Strategic Risk Register.

10. Timetable and Accountability for Implementing this Decision

10.1 Not applicable.

11. Financial and Procurement Implications

11.1 The risks contained in the table at paragraph 6.2 require ongoing management action. In some cases, additional resources may be necessary to implement the relevant actions or mitigate risks. Any additional costs associated with the management of these risks will be contained within overall budgets or otherwise reported through the monthly financial monitoring arrangements and to Cabinet if appropriate.

12. Legal Implications

12.1 There are no direct legal implications arising from the risk register. Any actions taken by the Council in response to risks identified will consider any specific legal implications.

13. Human Resources Implications

13.1 There are no Human Resources implications associated with the proposals.

14. Implications for Children and Young People and Vulnerable Adults

14.1 The Strategic Risk Register incorporates the CYPS risks that are of significance at a corporate / strategic level.

15. Equalities and Human Rights Implications

15.1 Proposals for addressing individual risks within the register incorporate equalities and human rights considerations where appropriate.

16. Implications for Partners and Other Directorates

16.1 The actions relating to any issues affecting partners are reflected in the risk register and accompanying risk mitigation action plans.

17. Risks and Mitigation

17.1 It is important to review the effectiveness of our approach to capturing, managing and reporting risks on an ongoing basis. This report sets out how the approach to risk management will be developed over the course of the coming year.

18. Accountable Officer:

Katie Stead (Policy, Improvement and Risk Manager)

Approvals Obtained from: -

Jane Maxwell (Director of Policy, Strategy and Engagement)

This report is published on the Council's website or can be found at:

Not Applicable for the Appendices – Private Report

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Rotherham Metropolitan Borough Council

Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Audit Committee Annual Report 2025/26

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Judith Badger, Executive Director of Corporate Services

Report Author(s)
Louise Ivens, Head of Internal Audit
Tel: 01709 823282 Email: louise.ivens@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary
The purpose of the Annual Report 2025/26 is to bring together in one document a summary of the work undertaken by the Audit Committee. The production of the report complies with current best practice for Audit Committees. It allows the Audit Committee to demonstrate it has fulfilled its terms of reference and share its achievements with the Council and is useful as a reminder to the organisation of the role of the committee in providing assurance about its governance, risk management and financial and business controls.

The Chartered Institute of Public Finance and Accountancy (CIPFA) issued guidance to local authorities in 2022 to help ensure that Audit Committees operate effectively. The guidance recommends that Audit Committees should report annually on how they have discharged their responsibilities. A copy of the Annual Report of this Audit Committee is attached at Appendix 1.

Recommendations
The Audit Committee is asked to:
1) Note the production of the Audit Committee Annual Report 2025/26.
2) Consider and approve the draft report prior to its submission to Council.

List of Appendices Included

Appendix 1 Audit Committee Annual Report for 2025/26.

Background Papers
Relevant reports presented to the Audit Committee and minutes of the meetings of the Audit Committee.

Consideration by any other Council Committee, Scrutiny or Advisory Panel
No.

Council Approval Required
Yes

Exempt from the Press and Public
No

Audit Committee Annual Report 2025/26

1. Background

1.1 The Audit Committee is a key component of corporate governance and provides an important source of assurance about the organisation's arrangements for managing risk, maintaining an effective control environment, and reporting on financial and other performance. The committee is also responsible for approving the Statement of Accounts and the Annual Governance Statement.

1.2 The committee's specific powers and duties are set out in Section 9 of the Constitution under the Terms of Reference of the Audit Committee. A copy of the Terms of Reference is included within the appendix for information. The Chartered Institute of Public Finance and Accountancy (CIPFA) issued guidance in 2022 to local authorities to help ensure that Audit Committees are operating effectively. The guidance recommends that Audit Committees should report annually on how they have discharged their responsibilities.

2. Key Issues

2.1 The Audit Committee met on six occasions in the year to 31 March 2026, in accordance with its programme of work. The frequency of meetings ensures the Audit Committee can fulfil its responsibilities in an efficient and effective way.

2.2 During this period the committee assessed the adequacy and effectiveness of the council's governance, risk management arrangements, control environment and associated counter fraud arrangements through regular reports from officers, the internal auditors and the external auditors. The committee sought assurance that action has been taken, or is otherwise planned, by management to address any risk related issues that have been identified during the period. The committee also sought to ensure that effective relationships continue to be maintained between the internal and external auditors, and between the auditors and management. The specific work undertaken by the committee is set out in the report.

3. Options considered and recommended proposal

3.1 This report is presented to enable the Audit Committee to fulfil its responsibility for reporting on how they have discharged their duties.

4. Consultation on proposal

4.1 None.

5. Timetable and Accountability for Implementing this Decision

5.1 The Audit Committee is asked to receive this report at its July 2026 meeting. Once approved, the report will be presented to Council.

6. Financial and Procurement Advice and Implications

6.1 There are no direct financial or procurement implications arising from this report.

7. Legal Advice and Implications

7.1 Appendix 9, Paragraph 5 of the Council's Constitution, the Audit Committee's Terms of Reference, requires the Audit Committee to submit an annual report to the Council and this report is submitted to meet that requirement.

8. Human Resources Advice and Implications

8.1 There are no direct Human Resources implications arising from the report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 There are no direct implications for Children and Young People or vulnerable adults arising from this report.

10. Equalities and Human Rights Advice and Implications

10.1 There are no direct Equalities and Human Rights implications arising from this report.

11. Implications for CO_2 Emissions and Climate Change

11.1 None.

12. Implications for Partners

12.1 Partners can be reassured that the Audit Committee is fulfilling its role within RMBC.

13. Risks and Mitigation

13.1 None.

Accountable Officer(s)
Louise Ivens, Head of Internal Audit

Report Author: Louise Ivens, Head of Internal Audit.
Tel 01709 823282 E mail louise.ivens@rotherham.gov.uk

This report is published on the Council's website.

Rotherham Metropolitan Borough Council

Appendix 1

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

AUDIT COMMITTEE ANNUAL REPORT 2025/26

CONTENTS **PAGE**

FOREWORD

Welcome to the Annual Report of the Audit Committee, which highlights the role the committee played during 2025/26 to support good governance, efficient internal control, and robust public financial reporting.

The Audit Committee is independent and oversees the audit, assurance and reporting processes that support good governance. It also has oversight of Internal and External Audit, making sure that the assurance arrangements work well.

The committee works well with officers to improve and monitor governance arrangements across the council, and to raise concerns as needed. The committee follows a diverse programme of work, obtaining annual assurance reports for oversight of arrangements, whilst also being flexible and responsive to new issues and concerns when required.

The committee members have participated with an impartial, unbiased, and neutral perspective to the committee's work, and I am grateful for their contributions.

For the 2025/26 municipal year there was only one change in the Audit Committee membership alongside the Vice Chair taking up the Chair position. A training and development plan has been produced to support both elected and independent members in their roles.

I look forward to working with members and officers of the Audit Committee during the forthcoming year, to enhance the Council’s arrangements for effective governance, risk management and internal control.

Councillor Jamie Baggaley Audit Committee Chair July 2026

INTRODUCTION

While there is no statutory obligation to have such an arrangement, Audit Committees are widely recognised as a core component of effective governance and therefore reflect good practice. RMBC’s Audit Committee is properly constituted and as such is given sufficient authority and resources by the Council. In effect, the Committee has the right to obtain all the information it considers necessary and to consult directly with senior managers. In line with best practice the Audit Committee can report its observations and concerns directly to the Council.

A local authority has a duty to ensure that it is fulfilling its responsibilities for adequate and effective internal control, risk management and governance, as well as the economy, efficiency and effectiveness of its activities. The Audit Committee has a key role in overseeing and assessing the internal control, risk management and corporate governance arrangements and advising the council on the adequacy and effectiveness of those arrangements.

This role is reflected in the Committee's Terms of Reference which are attached at Appendix C for information.

The Audit Committee had the following membership and attendance during 2025/26, (X denotes meeting attended):

Member	Jun 25	July 25	Sep 25	Nov 25	Jan 26	Mar 26
Cllr Baggaley (Chair)	X	X	X	X	X	X
Cllr Allen (Vice-Chair)		X	X		X	
Cllr McKiernan	X	X	X	X	X	X
Cllr Blackham		X	X	X	X	X
Cllr Elliott	X	X	X	X	X	X
Ms Hutchinson (Independent Member)			X		X	
Mr Olugbenga-Babalola (Independent Member)	X	X		X	X	X

HIGHLIGHTS OF THE YEAR

There have been many benefits from the work of the committee. The main outcomes and improvements include:

- An unqualified External Audit opinion on the Council's Statement of Accounts, confirming their accuracy and completeness
- Value for money opinion – overall a positive report. Two key recommendations were retained relating to housing compliance and corporate building compliance and asset data, recognising that progress had been made over the 2024/25 year.
- An Annual Governance Statement that reflected the developments within the council
- A broadly positive opinion from the Head of Internal Audit's Annual Report
- Received information from services regarding the positive steps taken following receipt of audit reports with partial/no assurance opinions
- A risk management process that is embedded within the council

SUMMARY OF WORK UNDERTAKEN IN 2025/26

A summary of the reports presented to the Audit Committee is attached at Appendix A and are summarised below.

External Audit – Grant Thornton

- Received and considered the audit plan to review the financial statements.

- Received and considered the detailed results of the external auditor's work in relation to the audit of the 2024/25 financial statements of the Council. The Committee was pleased to note that the auditors had given an unqualified audit opinion.

- Received and considered the annual report detailing the Value For Money opinion for 2024/25. A small number of improvement recommendations were raised, and two key recommendations were retained relating to housing compliance and operational building assets.

Internal Audit

- Continued to oversee the Internal Audit arrangements for the Council.

- Received and approved the Internal Audit Annual Report for 2024/25. This included the Annual Audit Opinion on the adequacy and effectiveness of the framework of control, risk management and governance within the Council. This was a broadly positive opinion which recognised that a higher number of partial/no assurance opinions had been issued during the year.

- Received and approved the Internal Audit Plan for 2026/27. The plan ensures that internal audit resources are prioritised towards those systems and areas which are identified as most at risk or which contribute most to the achievement of the Council's corporate objectives. It is designed to enable the Head of Internal Audit to give the opinion at the end of the year but is flexible to ensure it remains relevant throughout the year.

- Monitored the delivery of the Internal Audit Plan for 2025/26 through regular update reports presented by the Head of Internal Audit. Reviewed variations to the audit plan which were considered necessary to reflect new or changed Council priorities and/or risks.

- Monitored the progress made by management during the period to address identified control weaknesses by attendance of lead officers responsible for implementing action in respect of partial or no assurance internal audit reports.

- Monitored the performance of the Internal Audit team through the regular update reports which included data on achievement of KPI's and feedback from stakeholders.

- Received and considered the implementation of the Quality Assurance and Improvement Action Plan and the results of the self-assessment against Global Internal Audit Standards (UK Public Sector). Reviewed the outcomes of the external assessment by CIPFA of the Internal Audit Service against the Global Internal Audit Standards (UK Public Sector). The Audit Committee was pleased to note the achievement of 'General Conformance' which is the highest classification that CIPFA award.

Anti-Fraud and Corruption

- Received and approved updates to the Anti-Fraud and Corruption Strategy and considered the updated Anti-Fraud and Corruption Policy.

- Received a self-assessment against Fighting Fraud and Corruption Locally Checklist.

- Received information on Internal Audit investigations that had concluded during the year.

Risk Management

- Continued to oversee the Council's risk management arrangements and received a summary of risk management activity during 2024/25.

- Reviewed the progress made by the Council to identify and address corporate risks. This included consideration of the Strategic Risk Register twice during the year.

- Assessed the adequacy and effectiveness of each Directorate's risk management arrangements through consideration of the risks and mitigating actions identified in their Risk Registers. Presentations were received from Executive Directors or their representatives on their approach to risk management.

Corporate Governance

- Considered changes to the refreshed Code of Corporate Governance. The Code reflects the core principles and requirements of the CIPFA/SOLACE 'Delivering Good Governance in Local Government Framework' and the requirements of the Addendum (published May 2025).

- Considered the draft and approved the final Annual Governance Statement for 2024/25 on behalf of the Council, showing how the Council complied with the Code of Corporate Governance and highlighting areas of continued progress.

- Received and considered at each meeting the Audit Committee forward plan for the year ahead, ensuring that all relevant areas are covered during the year.

- The Chair and Vice Chair of the Audit Committee and members of staff who regularly attend the Audit Committee completed a self-assessment against CIPFA Guidance for Local Authority Audit Committees. This will be used to inform an ongoing training programme for members. Please see further information below.

Finance

- Considered the unaudited draft Statement of Accounts for 2024/25.

- Considered and approved the Statement of Accounts for 2024/25 on behalf of the Council.

- Received and considered a report on the final accounts closedown and accounting policies updates for 2025/26.

- Continued to review the Council's Treasury Management arrangements. This included reviewing the Annual Treasury Management Report for 2024/25 which covered the actual Prudential Indicators, and the Mid-Year Monitoring Report and quarterly update reports.

- Received a report on the Dedicated School Grant/Safety Value funding, noting the additional funding received through the Department for Education's Safety Valve Programme.

Other

- Received and considered two update reports on progress implementing recommendations arising from external audits, inspections and reviews.

- Received and considered a report on the Council's use of surveillance and acquisition of communication data powers under the Regulation of Investigatory Powers Act 2000 (RIPA). There had been one use of these powers by the Council during 2024/25.

- Received an annual report on Information Governance, including compliance with GDPR and the Data Protection Act 2018.

- Received updates on the actions taken by services following the issue of partial/no assurance opinion Internal Audits.

SELF ASSESSMENT EVALUATION AND TRAINING AND DEVELOPMENT

A self-assessment was carried out against checklists from the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance "Audit Committees / Practical Guidance for Local Authorities and Police 2022 Edition." The self-assessment provides a high-level review of best practice that incorporates the key principles set out in CIPFA's Position Statement and Guidance.

Where an audit committee has a high degree of performance against good practice principles, it is an indicator that the committee is soundly based and has in place a knowledgeable membership. These are the essential factors in developing an effective audit committee. The self-assessment, which is undertaken on an annual basis, is used to support the planning of the Audit Committee Work Programme and Training and Development Plan.

The assessment identified the committee was operating in accordance with best practice in the majority of areas and no specific areas of improvement have been identified.

There was no specific action identified following the self-assessment undertaken last year. Members have confirmed that they value the training sessions that are delivered, and the training plan for 2026/27 has once again been timed to coincide with the relevant agenda item/committee meeting. The two independent members seek additional support when required.

The proposed training and development plan is attached at Appendix B for discussion and comment.

Appendix A

AUDIT COMMITTEE ACTIVITY – 2025/26	June 2025	July 2025	Sept 2025	Nov 2025	Jan 2026	Mar 2026
Statutory accounts and AGS						
Statement of accounts	Draft			Approval		
Annual Governance Statement	Draft			Approval		
Annual operational and specialist assurance reports						
Risk Management Annual Report						
Strategic Risk Register						
Treasury Management Quarterly updates, Outturn and Strategy	Outturn	Q1 Indicators		Mid year (Q1 & Q2) Indicators		Q3 Indicators & Strategy
Information Governance Annual Assurance Report						
Dedicated School Grant – Safety Value funding						
Review of surveillance and use of Regulation of Investigatory Powers Act						
Internal Audit & Counter Fraud						
Internal Audit Progress Report						
Internal Audit Plan						
Internal Audit Annual Report and Opinion						
Internal Audit Charter, Quality Assurance and Improvement Programme and External assessment against the standards						
Anti-Fraud and Corruption Policy and Strategy Review and Update						

Appendix A

AUDIT COMMITTEE ACTIVITY – 2025/26	June 2025	July 2025	Sept 2025	Nov 2025	Jan 2026	Mar 2026
External Audit						
External Audit ISA 260 Report						
External Audit Annual Report (Value For Money)						
External Audit Plan						
External audit progress update		Verbal	Verbal		Verbal	
Additional reports received						
Closure of accounts and timetable						
Chief Executive Presentation						
Code of Corporate Governance						
Risk Management Guide refresh 2025						
External inspections, reviews and audits update						
Audit Committee Annual Report						
Audit update – Childrens Capital of Culture						
Audit update – Asset management (property acquisitions and disposals), Building Security Follow Up, Water safety (Legionella) Corporate Landlord and Housing, Music Service income and Home to School Transport.						
Audit update – Section 17 and Reduction in cash payments project						
Audit update - Riverside House Building Security and ID Badge Controls						

Appendix A

AUDIT COMMITTEE ACTIVITY – 2025/26	June 2025	July 2025	Sept 2025	Nov 2025	Jan 2026	Mar 2026
Directorate Risk Registers	ACHPH		ACE	RE	FCS ACE update	CYPS
Forward Plan						

Key

ACHPH – Adult Care, Housing and Public Health

ACE – Assistant Chief Executive

RE – Regeneration and Environment

FCS – Finance and Customer Services

CYPS – Children and Young People's Services

Proposed Audit Committee Member Training and Development Plan 2026/27

Subject Area	Key areas of coverage	Month	Lead officer
Statement of Accounts	• Understanding of the financial statements and process leading up to Audit Committee approval following external audit	June (Complete)	Natalia Govorukhina, Alison Charlesworth
Governance	• Knowledge of the seven principles of the CIPFA/Solace Framework 2016 • Knowledge of the requirements of the Annual Governance Statement • How the principles of governance are implemented locally as set out in the local code of governance • 3 lines of defence	June (Complete)	Katie Stead
Audits, Inspections and Reviews	• Brief overview of the process for tracking external inspections • The reasons why the AC tracks such inspections.	July	Katie Stead
Risk Management	• Principles of Risk Management • Risk Management Policy and Strategy • Role of members of the Audit Committee with regards to risk	July	Katie Stead
Internal Audit & Counter Fraud and Corruption	• Internal audit standards • Quality Assurance and Improvement Plan • Charter/Terms of Reference • Anti Fraud and Corruption Policy and Strategy and IA role	September	Louise Ivens

Treasury Management	• Regulatory requirements • Treasury risks • Treasury management strategy • Council's policies and procedures regarding treasury management • MRP	November	Natalia Govorukhina, Tom Soulby Link external consultants
External Audit	• Audit plan • Opinion reports (Accounts, VFM) • Arrangements for the appointment of auditors and quality monitoring undertaken	TBC	This will organised separately by Grant Thornton and will be run in conjunction with other local authorities

Appendix C

TERMS OF REFERENCE 2025/26

Committee Size

To be comprised of:-

- Five Councillors, none of which are members of the Cabinet.
- Two people who are not councillors or officers of the Council (independent members).

Statement of purpose

1 The Committee's purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to the Council that those arrangements are effective.

2 The Committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

Governance, risk and control

3 To review the Council's corporate governance arrangements against the Good Governance Framework, including the ethical framework and consider RMBC's Code of Governance.

4 To monitor the effective development and operation of risk management in the Council

5 To monitor progress in addressing risk-related issues reported to the Committee.

6 To review risk registers and consider their adequacy and effectiveness in capturing and assessing risks and completing mitigating actions.

7 To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

8 To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA's Financial Management Code.

9 To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.

10 To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.

11 To monitor the Counter-Fraud Strategy, actions and resources.

12 To review the governance and assurance arrangements for significant partnerships or collaborations.

13 To deal with any matters referred to the Committee by the Statutory Officers.

Appendix C

Governance Reporting

14 To review the Annual Governance Statement (AGS) prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account Internal Audit's opinion on the overall adequacy and effectiveness of the Council's Framework of Governance, risk management and control.

15 To consider whether the annual evaluation for the AGS fairly concludes that governance arrangements are fit for purpose, supporting the achievement of the Authority's objectives.

16 To approve the final AGS for publication.

Financial Reporting

17 To monitor the arrangements and preparations for financial reporting to ensure that statutory requirements and professional standards can be met.

18 To review the draft annual Statement of Accounts following approval by the s151 Officer. Specifically, to consider whether appropriate accounting policies have been followed.

19 To approve the final audited annual Statement of Accounts for publication. Specifically, to consider whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.

20 To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Arrangements for Audit and Assurance

21 To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.

22 To consider reports on progress against actions from external inspections and audits.

External audit

23 To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments (PSAA).

24 To approve the external auditor's annual plan.

25 To approve any revisions to the external auditor's plan.

26 To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.

27 To consider specific reports as agreed with the external auditor.

28 To comment on the scope and depth of external audit work and to ensure it gives value for money.

29 To consider additional commissions of work from external audit.

30 To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies

31 To provide free and unfettered access to the Audit Committee Chair for the auditors, including the opportunity for a private meeting with the Committee.

Internal Audit

32 To approve the Internal Audit Charter.

33 To approve the risk-based Internal Audit plan, including Internal Audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.

34 To approve significant interim changes to the risk-based Internal Audit plan and resource requirements.

35 To make appropriate enquiries of both management and the Head of Internal Audit to determine if there are any inappropriate scope or resource limitations.

36 To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing and to approve and periodically review safeguards to limit such impairments.

37 To approve the internal or external assessments of Internal Audit against Global Internal Audit Standards (UK Public Sector).

38 To consider reports from the Head of Internal Audit on Internal Audit's performance during the year. These will include:-

- updates on the work of Internal Audit including progress against the plan; key findings and issues of concern; action in hand as a result of Internal Audit work; and performance indicators.
- regular reports on the results of Quality Assurance and Improvement Programme.
- reports on instances where the Internal Audit function does not conform to the Global Internal Audit Standards (UK Public Sector), considering whether the non-conformance is significant enough that it must be included in the AGS

39 To approve the Head of Internal Audit's annual report including:-

- The statement of the level of conformance with the Global Internal Audit Standards (UK Public Sector) and the results of the QAIP that support the statement.
- The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion.

40 To consider summaries of specific Internal Audit reports.

41 To receive reports outlining the action taken where the Head of Internal Audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

42 To contribute to the QAIP and in particular, to the External Quality Assessment of Internal Audit that takes place at least once every five years.

43 To provide free and unfettered access to the Audit Committee Chair for the Head of Internal Audit, including the opportunity for him/her to meet privately with the committee.

Treasury Management

44 To review Treasury Management Policy, Strategy and procedures and to be satisfied that controls are satisfactory

45 To receive annual reports on Treasury Management, specifically the outturn report and the mid-year report

46 To review the treasury risk profile and adequacy of treasury risk management processes

47 To review assurances on Treasury Management, for example an Internal Audit report, external audit report or other review.

Accountability arrangements

48 To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.

49 To report to full council on a regular basis on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.

50 To submit a report on the work of the Committee to the Council on an annual basis, including a conclusion on compliance with the CIPFA Position Statement on Audit Committees.

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Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Audit Committee Forward Work Plan

Is this a Key Decision and has it been included on the Forward Plan?
No

Executive Director Approving Submission of the Report
Judith Badger, Executive Director of Corporate Services

Report Author(s)
Louise Ivens, Head of Internal Audit
Tel: 01709 823282 Email: louise.ivens@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary
The report presents to the Audit Committee a forward work plan covering the next year. The plan shows how the agenda items relate to the objectives of the Committee. It is presented for review and amendment as necessary.

Recommendations
That Audit Committee review the Forward Work Plan and suggest any amendments to it.

List of Appendices Included
Audit Committee Forward Work Plan.

Background Papers
Audit Committee Terms of Reference – Constitution, Appendix 9 Responsibilities and Functions, Section 5 Terms of Reference for Committees, Boards and Panels.

Consideration by any other Council Committee, Scrutiny or Advisory Panel
No

Council Approval Required
No

Exempt from the Press and Public
No

Audit Committee Forward Work Plan

1. Background

1.1 The Audit Committee's Terms of Reference are published in the Constitution. The attached Forward Work Plan details how the Committee meets those Terms of Reference.

2. Key Issues

2.1 Local government audit committees should comply with the Chartered Institute of Public Finance and Accountancy's Position Statement and Practical Guidance for Audit Committees. The Terms of Reference for the Audit Committee are designed to ensure that the committee meets the CIPFA standards.

2.2 The forward work plan is designed to ensure that the key Audit Committee responsibilities are fulfilled.

3. Options considered and recommended proposal

3.1 The work plan for the Audit Committee is a helpful guiding document for the Committee itself and other stakeholders with an interest in the Committee's activities. The work plan for the coming year by date is presented to each Committee meeting for review and amendment.

4. Consultation on proposal

4.1 Relevant officers and the Audit Committee were consulted in producing the work plan.

5. Timetable and Accountability for Implementing this Decision

5.1 The Forward Plan comprises a schedule of reports to be presented to the Audit Committee at each of its meetings during the year. Various reports have to be presented at specified meetings in order to comply with statutory requirements (for example relating to the statement of accounts and annual governance statement).

6. Financial and Procurement Advice and Implications

6.1 There are no direct financial or procurement implications arising from this report.

7. Legal Advice and Implications

7.1 There are no direct legal implications associated with this report.

8. Human Resources Advice and Implications

8.1 There are no Human Resources implications arising from the report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 The Audit Committee reviews the management of risks across the Council including those relating to Children's and Adult Services. Review of the management of risks helps to ensure the risks are mitigated.

10. Equalities and Human Rights Advice and Implications

10.1 There are no direct Equalities and Human Rights implications arising from this report.

11. Implications for CO_2 Emissions and Climate Change

11.1 There are no direct CO2 and Climate Change implications arising from the report.

12. Implications for Partners

12.1 Partners will be able to take assurance on the Control's application of governance controls and management of risks from the work of the Audit Committee.

13. Risks and Mitigation

13.1 The Audit Committee aims to comply with standards established by the Chartered Institute of Public Finance and Accountancy (CIPFA). The maintenance of a work plan is consistent with the CIPFA standards. The production of a work plan also helps the Audit Committee to ensure it achieves its terms of reference.

Accountable Officer(s)
Louise Ivens, Head of Internal Audit

Report Author: *Louise Ivens, Head of Internal Audit.*
Tel 01709 823282 E mail louise.ivens@rotherham.gov.uk

This report is published on the Council's website.

Audit Committee Forward Work Plan

Meeting Date	Key Responsibility	Agenda Item	Author
September 2026	Governance Risk and Control	Procurement Annual Report	Karen Middlebrook
	Governance Risk and Control	Information Governance Annual Report	Luke Sayers
	Internal Audit / Governance Risk and Control	IA Progress Report	Louise Ivens
	Governance Risk and Control	Risk Management Directorate Presentation - Policy, Strategy and Engagement	Katie Stead
	Governance Risk and Control	Code of Corporate Governance	Katie Stead
	Governance Risk and Control	Anti-Fraud and Corruption Policy and Strategy and Anti Money Laundering Policy review and update	Louise Ivens
	Audit Committee Accountability	Audit Committee Forward Work Plan	Louise Ivens
November 2026	Financial Reporting	Audited Final Statement of Accounts	Rob Mahon
	Governance Risk and Control	Audited Final AGS	Judith Badger
	External Audit	External Audit Findings (ISA 260)	Grant Thornton / Rob Mahon
	Treasury Management	Mid-Year Report on Treasury Management and quarterly update	Rob Mahon

	Governance Risk and Control	Risk Management Guide	Katie Stead
	Governance Risk and Control	Risk Management Directorate Presentation - Regeneration and Environment	Andrew Bramidge
	Internal Audit / Governance Risk and Control	IA Progress Report	Louise Ivens
	Audit Committee Accountability	Audit Committee Forward Work Plan	Louise Ivens
January 2027	Governance Risk and Control	Chief Executive Presentation	John Edwards
	Financial Reporting	Final Accounts closedown and accounting policies	Rob Mahon
	Governance Risk and Control	External Audit and Inspection recommendations	Katie Stead
	Governance Risk and Control	Strategic Risk Register	Katie Stead
	Governance, Risk and Control	Risk Management Directorate Presentation - Corporate Services Directorate	Judith Badger
	Audit Committee Accountability	Audit Committee Forward Work Plan	Louise Ivens
March 2027	Treasury Management	Treasury Management Quarterly Update	Rob Mahon
	Governance Risk and Control	Procurement Annual Report	Karen Middlebrook
	Internal Audit / Governance Risk and Control	IA Progress Report	Louise Ivens

	Internal Audit	IA Annual Plan	Louise Ivens
	Internal Audit	Global Internal Audit Standards Internal Audit Self Assessment, Quality Assurance and Improvement Plan and Audit Charter	Louise Ivens
	Governance Risk and Control	Risk Management Directorate Presentation - Children and Young People's Service	Nicola Curley
	Audit Committee Accountability	Audit Committee Forward Work Plan	Louise Ivens
June 2027	Financial Reporting	Draft Statement of Accounts	Rob Mahon
	Governance Risk and Control	Draft Annual Governance Statement	Judith Badger
	External Audit	External Audit Plan and Progress Update	Grant Thornton
	Treasury Management	Treasury Management Outturn and summary Prudential Indicators	Rob Mahon
	Internal Audit / Governance Risk and Control	IA Progress Report	Louise Ivens
	Internal Audit / Governance Risk and Control	Internal Audit Annual Report	Louise Ivens
	Governance Risk and Control	Risk Management Directorate Presentation - Adult Care Housing and Public Health	Ian Spicer
	Audit Committee Accountability	Audit Committee Forward Plan	Louise Ivens

July 2027	External Audit	External Audit Progress Report	Grant Thornton
	Treasury Management	Treasury Management Quarterly Update	Rob Mahon
	Governance Risk and Control	Dedicated Schools Grant/High Needs/Safety Value Programme	Joshua Amahwe
	Governance Risk and Control	Risk Management Annual Report and Corporate Strategic Risk Register	Katie Stead
	Governance Risk and Control	External Audit and Inspection Recommendations	Katie Stead
	Governance Risk and Control	Review of Surveillance and use of Regulation of Investigatory Powers	Bal Nahal
	Audit Committee Accountability	Audit Committee Annual Report	Louise Ivens
	Audit Committee Accountability	Audit Committee Forward Work Plan	Louise Ivens

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