



HERTSMERE BOROUGH COUNCIL

**CCTV Partnership Joint Executive
Agenda**

TUESDAY, 22 JANUARY 2019 AT 6.00 PM

COUNCIL CHAMBER, CIVIC OFFICES, ELSTREE WAY, BOREHAMWOOD

Distribution:

Councillors: Choudhury, Heywood and Wayne (Hertsmere Borough Council);
Cunningham, Hunter and Needham (North Hertfordshire District Council);
Henry, Holywell and Lloyd (Stevenage Borough Council);
McAndrew, Stevenson and Williamson (East Hertfordshire District Council).

1. **ELECTION OF CHAIR**

To appoint a Chair for the meeting.

2. **APOLOGIES FOR ABSENCE**

To receive any apologies for absence from Members.

3. **DECLARATIONS OF INTEREST**

To receive any declarations of interest by Members.

4. **MINUTES OF THE PREVIOUS MEETING**

To approve as a correct record the minutes of the last meeting of the CCTV Partnership Joint Executive held on 4 October 2018. (To follow)

5. **OPERATIONS REPORT**

To inform the CCTV Joint Executive of the progress and operational effectiveness of the Hertfordshire CCTV Partnership control room and cameras. (Pages 5 - 16)

6. **UPDATE FROM OFFICER MANAGEMENT BOARD**

This report updates members on the activities undertaken by the CCTV Officer Management Board since the last meeting of the Joint Executive. (Pages 17 - 20)

7. **GOVERNANCE REVIEW - NEXT STEPS**

This report summarises the suggested next step of the CCTV governance review in order to ensure current CCTV arrangements provide the most cost effective options for the partner councils. (Pages 21 - 24)

8. **UPDATE ON WORK STEMMING FROM SIAS GOVERNANCE REVIEW**

This report updates members on work carried out to date to address the governance issues identified by SIAS during their audit commissioned by Stevenage BC on behalf of the CCTV Partnership.

(Pages 25 - 50)

9. **ANY OTHER URGENT BUSINESS**

To consider any business not listed on the agenda which, in the opinion of the Chair, is urgent.

10. **DATE OF NEXT MEETING**

The next meeting of the CCTV Partnership Joint Executive will be held on Wednesday, 10 April 2019 at East Hertfordshire District Council.

Members may also wish to consider future dates and venues.

Civic Offices,
Elstree Way
Borehamwood
HERTS WD6 1WA

10 January 2019

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HERTSMERE BOROUGH COUNCIL

Meeting name & Date	CCTV Joint Executive - 22 January 2019
Agenda item	Item 5
Report title	CCTV Quarterly Management Report
Report reference no.	N/A
Wards affected	All Wards
Report author, job title & email	Mike Read CCTV Operations Manager Mike.read@stevenage.gov.uk Tel: 01438242814
List of Appendices	Appendix A - Partnership Overview of Control Room performance for October – December 2018 Appendix B – Data of Arrests / Incidents for Oct-Dec 2018 Appendix C – Case Studies
Reason for urgency	NA

1 RECOMMENDATION

- 1.1 That the CCTV Joint Executive notes the Quarterly Management report and the Appendices therein.

2 PURPOSE OF THIS REPORT

- 2.1 To inform the CCTV Joint Executive of the progress and operational effectiveness of the Hertfordshire CCTV Partnership Control Room and Cameras.

3 REASONS FOR RECOMMENDATION

- 3.1 To provide continuity of governance for the CCTV Partnership and provide guidance on priorities.

4 ALTERNATIVE OPTIONS

- 4.1 In order to ensure more frequent reporting to the Joint Executive operational reports have been brought quarterly. It is not deemed appropriate at this stage to maintain the existing annual reporting cycle.

5 BACKGROUND

- 5.1 The CCTV Executive Committee requires updates on the number of incidents and arrests during the 3 months preceding the Executive Committee and to inform members of up to date information on the CCTV Control Room, the monitoring and Maintenance Contracts. The committee also need to be assured that no breaches of the RIPA, GDPR, Pace, or the Code of Practice has occurred.

6 FINANCIAL AND BUDGET FRAMEWORK IMPLICATIONS

- 6.1 There are no financial implications.

9 LEGAL POWERS RELIED ON AND ANY LEGAL IMPLICATIONS

- 9.1 There are no legal implications.

10 EFFICIENCY GAINS AND VALUE FOR MONEY

- 10.1 There are no efficiency gains.

11 RISK MANAGEMENT IMPLICATIONS

- 11.1 There are no risk implications.

12 PERSONNEL IMPLICATIONS

- 12.1 There are no personnel implications.

13 EQUALITIES IMPLICATIONS

- 13.1 There are no equalities implications.

14 CORPORATE PLAN and POLICY FRAMEWORK IMPLICATIONS

- 14.1 There are no corporate or policy implications.

15 ASSET MANAGEMENT IMPLICATIONS

- 15.1 There are no asset management implications.

16 HEALTH AND SAFETY IMPLICATIONS

- 16.1 There are no Health and Safety implications.

17 BACKGROUND DOCUMENTS USED TO PREPARE THIS REPORT

17.1 None.

18 APPENDICES

Appendix A : CCTV Operation Managers Overview and 3 monthly report of CCTV performance

Appendix B : Table of reported Incidents/Arrest recorded by the Control Room

Appendix C : Case Studies

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Appendix A

Joint Executive Meeting

Partnership Overview of Control Room performance for October – December 2018

The Hertfordshire CCTV Partnership continues to work in conjunction with Stevenage Borough, Hertsmere Borough, North Herts District and East Herts District Councils covering 13 towns in Hertfordshire. The CCTV control room continues to be monitored 24/7 365 days a year based in Stevenage, and depending on times and operational demands the control room is staffed by 3 operators and a Manager. The operators are employed by Broadland Guarding Services Limited.

We work closely with our incumbent engineers, Eurovia, who continue to work closely with the control room to ensure everything is repaired in a timely fashion and report to the Operations Manager of any issues on a daily basis.

During the last three months we have not had any internal system developments to report as the Tecton DVR's that were installed over 2 years ago continue to show efficiencies, however we continuously look to ensure that all the Partnerships cameras are working to our Operational Standards. We continue to raise the attention to Council Officers of the need to replace old and beyond economical repair cameras and work closely to ensure these are replaced in a timely fashion. The Partnership has 8 "Shoebox" cameras still working but recorded 97 in my 2015/16 Annual Operations Report. "Bosch Micky's" were reported in last year's Annual Report at 102 – again these models are no longer supported and over the last three months we continue to replace these with Red Vision.

Our internal database, BORIS, continues to be developed and reviewed for efficiencies. We have over the last 3 months developed a programme to ensure efficiencies in the recording of evidence made by the Police.

We have had 1 request for a RIPA from the Police during this period – with a positive result. We can report that we have had no complaints or breaches in the Data Protection Act/GDPR.

The COP has not been amended since we updated in October re GDPR

Shop/Pub Watch radio links continue to be an important role for the Control Room operatives especially over the Christmas period. With its usual increase in shoplifting and night time activities the operatives continue to work closely with the radio users to ensure the security of staff and safety of the general public is made and at the same time in conjunction with the Police to ensure law and order is enforced

In 2019 HCCTVP will have a new control room, still based in Stevenage. The contract was awarded to Eurovia to build / move the new control room with a new front end called IComply / Veracity which will allow us to review IT capabilities with clients such as streaming/ wireless etc. We are still looking to move in the summer but as yet this has yet to be confirmed.

Arrests and Incidents (Appendix B) Case Studies (Appendix C)

Appendix B shows a table, broken down at Partner level, the number of Arrests and Incidents during October to December 2018

Overall the number of arrests within the Partnership had increased by just 2 against the same period last year. The number of incidents increased by 1. The biggest decrease was in Hertsmere with a drop of 24 incidents, whilst NHDC saw the biggest increase by 26.

Hertsmere Council have worked in conjunction with various bodies, including the Police, over the past couple of years to try and resolve the issues with nuisance youths especially in the McDonalds area of Borehamwood – this has paid dividends and a decrease in anti- social has been seen.

The increase in North Herts continues to see an increase in Thefts and Alcohol related offences with Hitchin being the busiest area. However I can also report that in 2017 a number of important cameras were not in operation but have since been replaced by NHDC during 2018.

Herts CC Lighting Columns – Ringway Contract

Recently Ringway, who act as management of the street lighting columns in Hertfordshire, on behalf of Hertfordshire County Council, have requested that all owners of re-deployable cameras to be removed with immediate effect. This was not just relevant to HCCTVP but other CCTV control rooms in Hertfordshire. I quickly engaged with the managing team from Ringway to avert a minor crisis and I now work closely with them to build up a relationship and an understanding with them to ensure that any request by the Partners to install a Mobile camera on their columns is conducted and agreed in a timely fashion.

There are still some issues outstanding but I wish to resolve these as quickly as possible, once resolved they will then provide us with a Licence that will be ongoing and there would be no need for any delays.

Downloading Suite

Issues with Stevenage Police station manning and operating the CCTV Downloading suite during 2018 seems to have been resolved for the short term period with an officer now deployed whilst on light duties. However the matter still needs to be resolved with the Chief Constable as to whether he feels that this is a full time position or not and also if they are able to source any officers within his constabulary apart from Stevenage to download for the whole of the Partnership.

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Appendix B - Data of Arrests/Incidents for Oct - Dec.2018

	SBC	SBC	NHDC	NHDC	EHDC	EHDC	HERTSMERE	HERTSMERE
	ARRESTS	INCIDENTS	ARRESTS	INCIDENTS	ARRESTS	INCIDENTS	ARRESTS	INCIDENTS
Oct-18	36	130	17	57	11	45	7	20
Oct-17	30	130	14	49	18	51	5	36
Var	6	0	3	8	-7	-6	2	-16
Nov-18	40	117	14	64	9	49	6	25
Nov-17	36	125	30	53	22	53	3	27
Var	4	-8	-16	11	-13	-4	3	-2
Dec-18	55	134	18	62	12	54	5	25
Dec-17	32	126	12	55	15	45	11	31
Var	23	8	6	7	-3	9	-6	-6
TOTAL - 2018	131	381	49	183	32	148	18	70
TOTAL - 2017	98	381	56	157	55	149	19	94
TOTAL Var	33	0	-7	26	-23	-1	-1	-26

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Appendix C

Case Studies

Hitchin - Cameras 303 and 307 – 13th October 2018. 15:55 - 3 Arrested

On the morning of Saturday 13th October CCTV operators were informed of 3 women who were seen shoplifting in the Town Centre. These were quickly identified by the controller but officers were unable to attend. Later that day in Hitchin reports came through that some women were acting suspicious in some shops – the operator scanned the area and quickly identified them as the same individuals as were earlier seen in Stevenage. Images were patched through to FCR and the 3 women were arrested and had been found with up to £500 of stolen goods on them.

Ware – Camera 53 – 14th December 2018. 00:14 - 2 Arrested

Hertford Mercury reported the following:-

Hoddesdon man arrested on suspicion of attempted murder after Hertford assault

Another man has also been arrested on suspicion of GBH

A man has been arrested on suspicion of attempted murder after an assault saw two people rushed to hospital - one in a serious condition.

[Police were called shortly after midnight](#) on Friday, December 14, to Fore Street, [Hertford](#), after reports of an assault near to the Nationwide ATM by the Hertfordshire CCTV Partnership operators.

The incident saw two men taken to hospital having sustained serious injuries.

One victim, a male, suffered a fractured eye socket, while the other victim remains in a serious condition. A 60-year-old man from Hertford, arrested on suspicion of GBH, has been released under investigation while enquiries continue.

A 41-year-old man from [Hoddesdon](#) has been arrested on suspicion of attempted murder.

He has been bailed until January 11, 2019.

At the time, a spokesperson for [Hertfordshire Constabulary](#), said: “Investigating officers are appealing for witnesses and information following a serious assault which occurred shortly after midnight in Hertford town centre today (December 14).

“It happened at 12.09am near to the Nationwide ATM in Fore Street.

“Two men suffered injuries and have been taken to hospital”

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HERTSMERE BOROUGH COUNCIL

Meeting name & Date	CCTV JOINT EXECUTIVE 22 January 2019
Agenda item	Item 6
Report title	Update from Officer Management Board
Report reference no.	N/A
Wards affected	All wards
Report author, job title & email	Authors: Ian Couper, Service Director: Resources, North Hertfordshire District Council <hr/> Contributor: Rob Gregory, Asst Director – Communities & Neighbourhoods, Stevenage Borough Council Jonathan Geall, Head of Housing and Health, East Herts Council <hr/>
List of Appendices	N/A

1. **ACTION RECOMMENDED**

That the CCTV Joint Executive:

- 1.1 notes the work carried out by the CCTV Officer Management Board since the last meeting of the CCTV Executive Group.

2. **PURPOSE OF THIS REPORT**

- 2.1 This report updates members on the activities undertaken by the Officer Management Board since the last meeting of the Joint Executive.

3. **REASON FOR RECOMMENDATIONS**

- 3.1 The CCTV Joint Executive delegates tasks to the Officer Management Board. This provides an update on progress to date and planned future activities.

4. **ALTERNATIVE OPTIONS**

- 4.1 No alternatives are considered to be viable. The Officer Management Board means that activity takes place, and it is necessary for the Joint Executive to monitor this.

5. BACKGROUND INFORMATION

- 5.1 The Officer Management Board have met on four occasions since the last meeting of the Joint Executive. The main focus of these meetings has been on addressing the recommendations of the SIAS audit. Updates on this are covered by a separate report on this agenda.
- 5.2 The Officer Management Board agreed a document setting out the roles and responsibilities of the Group Accountant from Stevenage Borough Council in respect of the CCTV partnership. This includes providing regular financial forecasts. The Officer Management Board received a forecast for the year 2018/19 as at the end of December. This showed that the forecast out-turn is in line with the Partnership's 2018/19 budget and is likely to deliver a small surplus, after accounting for income partners and the company. In the short-term, the Group Accountant is also supporting the Officer Management Board in interrogating the costs of the Partnership and the Company. This will determine recommendations relating to the future relationship between the Partnership and the Company.
- 5.3 The Officer Management Board have received updates on the move of the CCTV control room. Eurovia have been contracted to carry out the works, and they are due to take place during summer 2019. Stevenage Borough Council will manage this move.

6. FINANCIAL AND BUDGET FRAMEWORK IMPLICATIONS

- 6.1 See 5.2. The current forecast means that there are no financial implications to note. The work in relation to the future relationship between the Partnership and the Company is intended to improve governance, whilst also maintaining or improving the current financial position.

7. LEGAL POWERS RELIED ON AND ANY LEGAL IMPLICATIONS

- 7.1 There are no direct legal implications arising from this report.

8. EFFICIENCY GAINS AND VALUE FOR MONEY

8.1 There are none arising directly from this report at this stage.

9. RISK MANAGEMENT IMPLICATIONS

9.1 The regular meeting of the Officer Management Board helps to manage risk.

10. PERSONNEL IMPLICATIONS

10.1 All the partner authorities continue to contribute towards the effective operation of the Officer Management Board.

11. EQUALITIES IMPLICATIONS

11.1 Not applicable.

12. CORPORATE PLAN & POLICY FRAMEWORK IMPLICATIONS

12.1 CCTV services are reflected in the various partner authorities' corporate plans.

13. ASSET MANAGEMENT PLAN IMPLICATIONS

13.1 There are none arising directly from this report.

14. HEALTH AND SAFETY IMPLICATIONS

14.1 Not applicable.

15. BACKGROUND DOCUMENTS USED TO PREPARE THIS REPORT

15.1 None.

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HERTSMERE BOROUGH COUNCIL

Meeting name & Date	CCTV JOINT EXECUTIVE 22 January 2019
Agenda item	Item 7
Report title	Governance Review – Next Steps
Report reference no.	N/A
Wards affected	All wards
Report author, job title & email	Authors: Rob Gregory, Assistant Director – Communities & Neighbourhoods rob.gregory@stevenage.gov.uk <hr/> Contributors: Ian Couper, Service Director- Resources ian.couper@north-herts.gov.uk Jonathan Geall, Head of Housing and Health jonathan.geall@eastherts.gov.uk Valerie Kane, Community Safety Manager valerie.kane@hertsmere.gov.uk <hr/>
List of Appendices	N/A

1. **ACTION RECOMMENDED**

That the CCTV Joint Executive:

- 1.1 Considers the proposed next steps of the Governance Review as recommended by the Officer Management Board.
- 1.2 Approves in principle to the reassignment of the monitoring of partner-owned cameras currently managed through Hertfordshire CCTV Company Ltd to the Hertfordshire CCTV Joint Partnership, subject to a detailed cost benefit analysis.
- 1.3 Agrees to receive a further report on future governance and trading options at its meeting in April 2019.

2. **PURPOSE OF THIS REPORT**

- 2.1 This report summarises the suggested next step of the CCTV governance review, in order to ensure current CCTV arrangements provides the most cost effective options for the partner councils.

3. REASON FOR RECOMMENDATIONS

- 3.1 At its meeting in October 2018, the CCTV Joint Executive agreed to meet with greater frequency in order to oversee the recommendations of the SIAS Audit and in order to provide more robust oversight of CCTV arrangements. As a consequence the Officer Management Board has met to consider the next stage of the governance review.
- 3.2 Whilst the SIAS Audit identified a number of recommendations to improve the current governance arrangements for CCTV provision, officers have further considered whether the current relationship between CCTV Partnership and Company provides the most cost-effective solution for the provision of CCTV between the 4 councils.
- 3.3 As a consequence the Officer Board is receiving further legal advice from Hertfordshire' Shared Legal Service via Stevenage Borough Council to ascertain trading options available to the partnership, given the current breadth of clients to the company.
- 3.4 The board has also requested some detailed financial analysis of camera costs and charges and how these are split between partnership and company.
- 3.5 Officers have formed an initial view that the management of all cameras owned by the partner councils should be removed from the company and re-allocated to the partnership in order to provide a more cost-effective solution for each council. Of note, it is questionable whether there are any financial benefits for the partners arising from the company charging the partners for monitoring their cameras simply to create an operating surplus to pass back to the partners *minus* corporation tax paid to HMRC. If this change was made, the partnership would maintain a distinction between commercial contracts operating through the company and partner cameras operating through the partnership. This also reflects the maturity of the company in entering its fourth year of trading with a range of external contracts.
- 3.6 As a next stage and with the permission of the Joint Executive, Officers will undertake a more detailed cost benefit analysis of this option to ensure this proposed switch in the management of the partners' cameras represents the best value for money. This work will also consider the implications on future options for the company.
- 3.7 The impact of this decision will affect the proposed governance framework identified in the SIAS audit, and is covered in a related report as part of this agenda.

4. ALTERNATIVE OPTIONS

- 4.1 Officers have considered, not undertaking a further review of governance arrangements beyond the recommendations of the SIAS audit, but believe in the interests of value for money it is worth further considering whether the current arrangements provide the most cost efficient options for CCTV for the 4 partner authorities.

5. BACKGROUND INFORMATION

- 5.1 When Hertfordshire CCTV Ltd was established in 2014, the 4 partner authorities agreed via their Executives/Cabinets to maintain a partnership arrangement overseen by a Joint Executive to service existing core cameras within the partnership. They also agreed that any new cameras commissioned by each of the partner councils would be commissioned via the company. This was in order to facilitate the initial cash flow of a newly formed company. Therefore additional cameras installed by the partner councils since 2014 have been commissioned via Hertfordshire CCTV Company Ltd and are accounted for via the company overseen by its Board of Directors.
- 5.2 The company got off to a strong start with a number of commercial contracts from retail parks, schools and charitable trusts. In spite of losing 2 major commercial contracts in 2017/18, the company maintains 31 contracts with external bodies for the provision on CCTV services. In spite of trading profit, the company has not yet paid a dividend to its shareholders. This reflected the infancy of the company in its early years. A small dividend has been recommended this year.
- 5.3 The Board of Directors for Hertfordshire CCTV Ltd have been updated on the recommendations of the SIAS audit and have been made aware of the further review work necessary.

6. FINANCIAL AND BUDGET FRAMEWORK IMPLICATIONS

- 6.1 There are no financial and budget framework implications at this stage, although this work may progress to have a positive budgetary implication for 2019/20.

7. LEGAL POWERS RELIED ON AND ANY LEGAL IMPLICATIONS

- 7.1 Legal advice is being sought through the development of this work and will inform the governance framework recommended, including the termination of any agreements between company and partner authorities.

8. EFFICIENCY GAINS AND VALUE FOR MONEY

8.1 There may be some efficiency gains due to the reassignment of cameras as a consequence of a full re-meeting of the Joint Executive.

9. RISK MANAGEMENT IMPLICATIONS

9.1 There are none arising directly from this report. Risk will be fully considered as part of a final report.

10. PERSONNEL IMPLICATIONS

10.1 There are none arising directly from this report.

11. EQUALITIES IMPLICATIONS

11.1 Not applicable.

12. CORPORATE PLAN & POLICY FRAMEWORK IMPLICATIONS

12.1 CCTV services are reflected in the various partner authorities' corporate plans.

13. ASSET MANAGEMENT PLAN IMPLICATIONS

13.1 There are none arising directly from this report.

14. HEALTH AND SAFETY IMPLICATIONS

14.1 Not applicable.

15. BACKGROUND DOCUMENTS USED TO PREPARE THIS REPORT

15.1 None.

HERTSMERE BOROUGH COUNCIL

Meeting name & Date	CCTV JOINT EXECUTIVE 22 January 2019
Agenda item	Item 8
Report title	Update on work stemming from SIAS Governance Review
Report reference no.	N/A
Wards affected	All wards
Report author, job title & email	Authors: Jonathan Geall, Head of Housing and Health, East Herts Council jonathan.geall@eastherts.gov.uk Contributor: Rob Gregory, Asst Director – Communities & Neighbourhoods, Stevenage Borough Council rob.gregory@stevenage.gov.uk
List of Appendices	Appendix A: Progress on SIAS recommendations at January 2019 Background Document 1: SIAS Audit CCTV Governance Review - August 2018
Reason for urgency	N/A

1. **ACTION RECOMMENDED**

That the CCTV Joint Executive:

- 1.1 considers the work carried out to date by the CCTV Officer Management Board to address the recommendations made by the Shared Internal Audit Service (SIAS) in their report published in August 2018, including completion of the actions against two of the nine recommendations;
- 1.2 identifies any issues relating to implementing the SIAS recommendations for consideration by the CCTV Officer Management Board;
- 1.3 approves an amendment to the deadline for the SIAS recommendation to “*review the governance framework for the overall CCTV Partnership and confirm it as being fit for purpose*” from 1st December 2018 to 31st May 2018 to enable (a) members to fully consider, at their meeting in April 2019, the legal review of partnership and trading options commissioned by officers and (b) officers to act on members’ decisions made in April 2019.

2. PURPOSE OF THIS REPORT

- 2.1 This report updates members on work carried out to date to address the governance issues identified by SIAS during their audit commissioned by Stevenage BC on behalf of the CCTV Partnership.
- 2.2 Members are invited to review progress to date and identify issues for consideration by the CCTV Officer Management Board. Officers are also recommending that the deadline for the SIAS recommendation to “*review the governance framework for the overall CCTV Partnership and confirm it as being fit for purpose*” be amended from 1st December 2018 to 31st May 2018 to enable (a) members to fully consider, at their meeting in April 2019, the legal review of partnership and trading options commissioned by officers and (b) officers to act on members’ decisions made in April 2019 when revising arrangements.
- 2.3 Members’ attention is drawn to the fact that the actions against two of nine recommendations have been completed, these being:
- the partners have agreed the role of the Stevenage BC accountant in relation the CCTV Partnership and the company has agreed to source its accountancy support separately from this; and
 - Stevenage BC has drawn up a recharge schedule relating to the costs attributed to the Partnership; this has been shared with partner authorities. In addition, quarterly in-year financial forecasts are now being produced by Stevenage BC for the Partnership and shared with the partner authorities.

1

3. REASON FOR RECOMMENDATIONS

- 3.1 Given concerns raised by members from each of the four authorities comprising the CCTV Partnership – East Herts, Hertsmere, North Herts and Stevenage – about the governance of the CCTV Partnership and its wholly owned company, Stevenage BC commissioned the Shared Internal Audit Service (SIAS) to conduct a review of the governance arrangement. SIAS completed this work in August 2018 and a SIAS representative presented the finding the CCTV Executive Group at its last meeting on 4th October 2018.
- 3.2 Members will recall that SIAS reported that “*the Hertfordshire CCTV Partnership has proven to be a useful vehicle for the joint management of the CCTV service. However, we have identified a number of weaknesses in the overall governance control framework*”. Consequently, SIAS were only able to provide “**limited assurance that there are effective controls in operation**”.
- 3.3 To assist in remediating this situation, SIAS made nine recommendations to help address the shortcomings found.
- 3.4 Since publication of SIAS’s report, the Officer CCTV Management Board has started meeting again as it had lapsed for around two years. The Board has met four times and has now established a monthly meeting cycle. Addressing the SIAS recommendations is a standing item on the Board’s agenda.

- 3.5 It has come to officers' attention that given the current balance in the numbers of cameras owned by partnership authorities, other public sector bodies and private sector bodies, there may be alternative ways of providing the CCTV service to these clients. Thus, the CCTV Officer Management Board has commissioned Stevenage BC Legal Service (provided by Hertfordshire County Council) to review the options so that a detailed options paper can be put to members at the CCTV Executive Group meeting on 10th April 2019. As consideration of the options *may* lead to members seeking to amend the current provision of services, officers are recommending that the deadline of 1st December 2018 set by SIAS to "*the governance framework for the overall CCTV Partnership to be reviewed and confirmed as being fit for purpose*" is amended to 31st May 2019 to enable full consideration of the outcome of the legal review.
- 3.6 The initial work to review the numbers and ownership of cameras currently monitored by the CCTV Partnership has revealed that in addition to the 'core' cameras owned by the four partner authorities and managed and accounted for *within* the CCTV Partnership, each authority has the following cameras which have been acquired and/or come into service following inception of the CCTV Partnership's wholly company and are currently managed and accounted for within the company:
- East Herts – 30 cameras over two sites
 - Hertsmere – two cameras over two sites
 - North Herts – 37 cameras over 19 sites
 - Stevenage – 347 cameras over 55 sites.
- 3.7 There are no legal impediments to the management and monitoring of these cameras moving from the company to the CCTV Partnership should all parties be agreeable. Officers have already informed the company's Directors that this switch in camera management arrangements is being considered. The anticipated financial efficiencies arising from this switch for each of the partner authorities are currently being quantified by the CCTV Officer Management Board. Elsewhere on this agenda, members' 'in principal' support for this change in management and monitoring arrangements, subject to clarification of the financial efficiencies that would accrue, is being sought. This switch, if ultimately made, would contribute to SIAS's recommendation to review the overall governance arrangements and ensure they are robust and fit-for-purpose.

4. ALTERNATIVE OPTIONS

- 4.1 As SIAS can only offer limited assurance of the robustness of the CCTV Partnership's governance arrangements there is no alternative but to address the issues raised in a timely and urgent way.
- 4.2 Members may prefer not to amend the deadline for the governance framework review as recommended by officers, however, officers believe this could lead to unnecessary abortive work should members subsequently decide to amend the current working arrangements in April 2019 having considered the legal review.

5. BACKGROUND INFORMATION

5.1 In support of their overall opinion, SIAS identified nine key areas that should be addressed as a high priority and, as necessary, considered as part of a wider full governance review of the CCTV Partnership. These nine key areas can be summarised as follows:

- confirmation of the governance framework and the roles and responsibilities
- establishment of a current Partnership Agreement
- review of the terms of the Company Shareholders' Agreement
- review/establishment of all Terms of Reference
- review of Partner Authority Constitutions
- establishment of a current five year Business Plan (18/19-22/23)
- review of financial management
- review of performance monitoring
- review of the calculation and application of charges to Partner Authorities.

5.2 Work is now well underway on all these recommendations; as noted above, the actions against two of the recommendation have already been completed. Appendix A gives more detail of this work.

6. FINANCIAL AND BUDGET FRAMEWORK IMPLICATIONS

6.1 The work currently underway is aimed at putting the CCTV service, both the Partnership and the wholly owned company, on a sounder financial footing. Stevenage BC has already assigned a lead accountant and in-year budget monitoring and forecasting has recommenced and is now shared with partner authorities.

6.2 At present, nothing arising directly from the recommendations in this report have a financial impact on any of the partner authorities, however, officers are fully cognisant of the fact that any future recommendations stemming from work currently underway reported here should be at least cost neutral and preferably able to deliver efficiencies to the partner authorities in terms of reduced costs and/or increased income.

7. LEGAL POWERS RELIED ON AND ANY LEGAL IMPLICATIONS

7.1 There are no direct legal implications arising from this report.

8. EFFICIENCY GAINS AND VALUE FOR MONEY

8.1 There are none arising directly from this report.

9. RISK MANAGEMENT IMPLICATIONS

9.1 The SIAS report identified a series of material risks. This report updates members on work underway to address and mitigate these risks.

10. PERSONNEL IMPLICATIONS

10.1 There are none arising directly from this report.

11. EQUALITIES IMPLICATIONS

11.1 Not applicable.

12. CORPORATE PLAN & POLICY FRAMEWORK IMPLICATIONS

12.1 CCTV services are reflected in the various partner authorities' corporate plans.

13. ASSET MANAGEMENT PLAN IMPLICATIONS

13.1 There are none arising directly from this report.

14. HEALTH AND SAFETY IMPLICATIONS

14.1 Not applicable.

15. BACKGROUND DOCUMENTS USED TO PREPARE THIS REPORT

Document Title:
Final Internal Audit Report: Stevenage Borough Council – Governance Arrangements for the Hertfordshire CCTV Partnership – August 2018

Appendix A: Progress on SIAS recommendations at January 2019

	SIAS's recommendation	Priority	Management action	Target completion date	Update at January 2019
1.	We recommend that the governance framework for the overall CCTV Partnership is reviewed and confirmed as being fit for purpose, or changed as necessary, and is clearly understood by all parties, including the respective roles and responsibilities of the relevant Members and Officers.	High	<p>Responsibility: CCTV Joint Executive and Company Board of Directors.</p> <p>Actions: We will draft a governance framework for the overall CCTV arrangements to include:</p> <ul style="list-style-type: none"> • Governance for Hertfordshire CCTV Partnership • Governance for Hertfordshire CCTV Partnership Ltd. • Governance lines between the Partnership and the Company • Member roles and responsibilities • Officer roles and responsibilities <p>These will be consulted on and agreed by the CCTV Joint Executive and the</p>	1 st Dec 2018	<p>COMMENCED – RECOMMENDATION TO AMEND THE DEADLINE</p> <p>The Officer Management Board believe this aspect of the work is critical to the entire CCTV Partnership and wholly owned company arrangements and has thus commissioned Stevenage BC's Legal Services (provided by Hertfordshire County Council) to review the options available for providing CCTV services to public and private sector bodies. This work will provide members with the necessary information to determine how both the Partnership and company should operate in the future.</p> <p>A detailed options paper will be put the CCTV Executive Group at its meeting on 10th April 2019.</p> <p>Officers believe drafting a revised governance framework in advance of member decisions in April could lead to abortive work and so it is recommended that addressing this recommendation be rescheduled to 31st May 2019</p>

	SIAS's recommendation	Priority	Management action	Target completion date	Update at January 2019
			Company Board of Directors.		
2.	We recommend that an appropriate new Partnership Agreement between the current four CCTV Partner Authorities is drawn up and executed. It should clearly include the specific roles and responsibilities of the Partner Authorities. It should also clearly state the relationship the Partner Authorities have with Hertfordshire CCTV Partnership Ltd. and the function of that company in respect of the overall CCTV Partnership.	High	<p>Responsibility: CCTV Officer Management Board.</p> <p>Actions: We will prepare an updated CCTV Partnership Agreement drafted through the CCTV Officer Management Board to be signed by all four Partner Authorities.</p>	31 st March 2019	<p>ON TRACK</p> <p>Officers will have produced a proposed draft agreement by the target date which will be brought to the CCTV Executive Group at its meeting on 10th April 2019</p>
3.	We recommend that the current Shareholders' Agreement for the Company is reviewed to ascertain if it remains fit for purpose and, if so, that the terms are fully complied with.	High	<p>Responsibility: Company Board of Directors.</p> <p>Actions: The Company Directors' will consider this recommendation through their Shareholder Representatives in light of future considerations relating to the future of Hertfordshire CCTV Partnership Ltd.</p>	31 st March 2019	<p>ON TRACK</p> <p>The Company's Board of Directors were presented with the SIAS finding at their meeting in November 2018 and are agreeable to considering revisions to the Shareholder Agreement which may arise from the options review commissioning by the Officer Management Board</p>

	SIAS's recommendation	Priority	Management action	Target completion date	Update at January 2019
4.	We recommend that appropriate revised / new Terms of Reference for the CCTV Joint Executive and the CCTV Officer Management Board are drawn up and formally agreed.	High	<p>Responsibility: CCTV Joint Executive and CCTV Officer Management Board.</p> <p>Actions: Terms of Reference will be updated for the CCTV Joint Executive and a Terms of Reference will be created for the CCTV Officer Management Board.</p>	31 st March 2019	<p>ON TRACK</p> <p>Officers will have produced proposed draft terms of reference by the target date which will be brought to the CCTV Executive Group at its meeting on 10th April 2019</p>
5.	We recommend that, once agreed, the revised/new Terms of Reference for the CCTV Joint Executive and the CCTV Officer Management Board are revised / added in the Constitutions for each of the four Partner Authorities, together with the updated Member/Officer representation for both groups.	High	<p>Responsibility: Each of the four Partner Authorities.</p> <p>Actions: New Terms of Reference will be submitted for formal incorporation into constitutional arrangements for the four Partner Authorities.</p>	31 st July 2019	<p>ON TRACK</p> <p>All partner authorities have committed to update their constitutions following member approval of any revisions</p>
6.	We recommend that a new five year Business Plan for the overall CCTV Partnership is drawn up and agreed. As a minimum, the plan should be monitored on a monthly basis in terms of achievements against	High	<p>Responsibility: CCTV Joint Executive and Company Board of Directors.</p> <p>Actions: We will develop a new five</p>	31 st March 2019	<p>ON TRACK</p> <p>Stevenage BC has allocated a new accountant to support the CCTV Partnership. At January 2019:</p> <ul style="list-style-type: none"> • a recharge schedule has been produced and agreed by the CCTV Officer Management Board

	SIAS's recommendation	Priority	Management action	Target completion date	Update at January 2019
	projections and it should be the subject of a full review and refresh annually to cover the next five years ahead on a rolling basis. Besides financial projections, it should include non-financial aims and targets that should be monitored, reviewed and refreshed on the same basis.		year rolling Business Plan (with monthly monitoring and full annual reviews) for the overall Hertfordshire CCTV Partnership based on decisions about the future direction of Hertfordshire CCTV Partnership Ltd.		<ul style="list-style-type: none"> in-year budget forecasts for the CCTV budget are now being produced by Stevenage BC and shared with the partnership authorities the ownership and status of each camera has been established to inform budget-setting for 2019/20 and the legal review following future member decisions on the company and status of various cameras, the CCTV Officer Management Board will ensure that from 2019/20 onwards, detailed annual budgets will be drawn up within the context of an overall direction-of-travel for the CCTV Partnership for the coming five years
7.	We recommend that the role and responsibilities of the SBC Group Accountant in respect of the overall CCTV Partnership are reviewed, evaluated and formerly confirmed. Consideration should be given to increased use of the external Accountants with regard to the accounting requirements of Hertfordshire CCTV Partnership Ltd.	High	<p>Responsibility: CCTV Officer Management Board, Company Board of Directors and SBC Assistant Director, Finance & Estates.</p> <p>Actions: The role of the SBC Group Accountant in relation to the overall Partnership will be clarified in the revised Partnership Agreement. The Company Directors</p>	31 st March 2019	<p>COMPLETE</p> <p>The role of the Stevenage BC Group Accountant has been drawn by Stevenage BC and has been agreed by the CCTV Officer Management Board.</p> <p>The company agreed at its Board meeting in November 2018 to source its accountancy needs separately</p>

	SIAS's recommendation	Priority	Management action	Target completion date	Update at January 2019
			will consider the accountancy needs of the Company and source appropriately.		
8.	We recommend that all reporting arrangements for the Partner Authorities are formally reassessed, agreed and documented to ensure there is complete clarity and transparency of expectations and understanding across all interested parties regarding the need, responsibility, frequency, timing, content, format and distribution of each report required.	High	<p>Responsibility: CCTV Joint Executive, CCTV Officer Management Board and Company Board of Directors as appropriate.</p> <p>Actions: Authority reporting arrangements to be included as part of a revised Partnership Agreement, Shareholder Agreement and Terms of Reference as necessary.</p>	31 st March 2019	<p>ON TRACK</p> <p>This will form part of the revised documentation to be bought to the CCTV Executive Group for approval</p>
9.	We recommend that there is a review of how charges are being calculated and billed to the Partner Authorities, clarification of who is responsible for this and agreement of the timing.	HIGH	<p>Responsibility: SBC Assistant Director, Finance & Estates.</p> <p>Actions: A schedule of charges to be prepared for the Partnership. The schedule will identify recharges applied to the Partnership, including; staffing, overheads, IT, etc.</p>	1 st November 2019	<p>COMPLETE</p> <p>A recharge schedule has been produced for consideration by the partner authorities.</p> <p>Quarterly in-year budget forecasts for the CCTV budget are now being produced by Stevenage BC and shared with the partnership authorities</p>

	SIAS's recommendation	Priority	Management action	Target completion date	Update at January 2019
			<p>The schedule will also include recharges applied to Hertfordshire CCTV Partnership Ltd.</p> <p>A quarterly finance report to be prepared for the CCTV Officer Management Board, to include year-end financial projections for the Partnership.</p>		



Final Internal Audit Report

Stevenage Borough Council – Governance Arrangements for the Hertfordshire CCTV Partnership

August 2018

Issued to:	Rob Gregory – SBC Assistant Director, Communities & Neighbourhoods
Copied to:	Clare Fletcher – SBC Assistant Director, Finance & Estates Mary Cormack – SBC Lead Legal Officer Isabel Brittain – Head of Strategic Finance & Property, East Herts Council Valerie Kane – Community Safety Manager, Hertsmere Borough Council Ian Couper – Head of Finance, Performance & Asset Management, North Herts District Council
Report Status:	Final
Reference:	S248/18/001
Overall Assurance:	Limited

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2. Assurance by Risk Area	4
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1. EXECUTIVE SUMMARY

Introduction

- 1.1 Internal Audit provides Stevenage Borough Council ('the Council') with an independent and objective opinion on the organisation's governance arrangements, encompassing internal control and risk management, by completing an annual risk-based audit plan. This audit forms part of the Council's approved 2018/19 Audit Plan.
- 1.2 The Council is the lead authority for the Hertfordshire CCTV Partnership which includes East Herts Council, Hertsmere Borough Council and North Herts District Council. The original Partnership was set up in 1999 between Stevenage Borough Council and North Herts District Council to jointly manage CCTV cameras in public spaces within their administrative areas. East Herts Council and Hertsmere Borough Council subsequently joined the Partnership.
- 1.3 A separate private limited company was established in 2014 to facilitate a number of commercial contracts. The company is owned by the four Partners in proportion to the number of public cameras they manage in their respective administrative areas.
- 1.4 The purpose of this review was to provide assurance to the Council and Partners regarding the governance and financial management arrangements that are currently in place for the Hertfordshire CCTV Partnership, including oversight of the limited company. This is intended as a high level internal audit of the governance arrangements and is not a full governance review.

Overall Audit Opinion

- 1.5 The Hertfordshire CCTV Partnership has proven to be a useful vehicle for the joint management of the CCTV service. However, we have identified a number of weaknesses in the overall governance control framework. We have therefore made nine recommendations to help address the above and potentially inform a wider governance review.
- 1.6 Based on the work performed during this audit, we can provide overall **limited assurance** that there are effective controls in operation for those elements of the risk management processes covered by this review. These are detailed in the Assurance by Risk Area Table in section 2 below.
- 1.7 For definitions of our assurance levels, please see Appendix B.

Summary of Recommendations

- 1.8 In support of our overall opinion, we have identified nine key areas that should be addressed as a high priority and, as necessary, considered as part of a wider full governance review of the CCTV Partnership. We can summarise these nine key areas as follows:

- Confirmation of the governance framework and the roles and responsibilities
- Establishment of a current Partnership Agreement
- Review of the terms of the Company Shareholders' Agreement
- Review/establishment of all Terms of Reference
- Review of Partner Authority Constitutions
- Establishment of a current five year Business Plan (18/19-22/23)
- Review of financial management
- Review of performance monitoring
- Review of the calculation and application of charges to Partner Authorities

1.9 Please see Management Action Plan at Appendix A for further detail.

Annual Governance Statement

1.10 This report provides limited levels of assurance to support the Annual Governance Statement.

2. ASSURANCE BY RISK AREA

2.1 Our specific objectives in undertaking this work, as per the Terms of Reference, were to provide the Council with assurance on the adequacy and effectiveness of internal controls, processes and records in place to mitigate risks in the following areas:

Risk Area	No	Limited	Satisfactory	Good
Governance and financial management arrangements of the four Partners in the Partnership				
Governance and financial management arrangements of the limited company				
Governance and financial relationship between the Partnership and the limited company				
Overall				

2.2 See definitions for the above assurance levels at Appendix B.

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
1.	<p>Governance framework:</p> <p>Whilst there is an overall framework for the governance of the CCTV Partnership, there is not full corporate clarity and understanding regarding the management and reporting structures or the respective roles and responsibilities.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.</p>	High	<p>We recommend that the governance framework for the overall CCTV Partnership is reviewed and confirmed as being fit for purpose, or changed as necessary, and is clearly understood by all parties, including the respective roles and responsibilities of the relevant Members and Officers.</p>	<p>Responsibility:</p> <p>CCTV Joint Executive and Company Board of Directors.</p> <p>Actions:</p> <p>We will draft a governance framework for the overall CCTV arrangements to include:</p> <ul style="list-style-type: none"> • Governance for Hertfordshire CCTV Partnership • Governance for Hertfordshire CCTV Partnership Ltd. • Governance lines between the Partnership and the Company • Member roles and responsibilities • Officer roles and responsibilities <p>These will be consulted on and agreed by the CCTV Joint Executive and the Company Board of Directors.</p>	1 December 2018

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
2.	<p>Partnership Agreement:</p> <p>There is no fully executed Partnership Agreement in place that includes all four of the current CCTV Partner Authorities.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.</p>	High	We recommend that an appropriate new Partnership Agreement between the current four CCTV Partner Authorities is drawn up and executed. It should clearly include the specific roles and responsibilities of the Partner Authorities. It should also clearly state the relationship the Partner Authorities have with Hertfordshire CCTV Partnership Ltd. and the function of that company in respect of the overall CCTV Partnership.	<p>Responsibility:</p> <p>CCTV Officer Management Board.</p> <p>Actions:</p> <p>We will prepare an updated CCTV Partnership Agreement drafted through the CCTV Officer Management Board to be signed by all four Partner Authorities.</p>	31 March 2019
3.	<p>Shareholders' Agreement for Hertfordshire CCTV Partnership Ltd:</p> <p>Whilst there is a current Shareholders' Agreement in place for the Company (executed as at 7 September 2015 by the four Partner Authorities), there is a lack of compliance with some of the terms, e.g. 2.1 states that Shareholders'</p>	High	We recommend that the current Shareholders' Agreement for the Company is reviewed to ascertain if it remains fit for purpose and, if so, that the terms are fully complied with.	<p>Responsibility:</p> <p>Company Board of Directors.</p> <p>Actions:</p> <p>The Company Directors' will</p>	31 March 2019

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
	<p>will not fund the Company with public funds; 5.2 states that a Business Plan will be prepared each year and include a five year medium term financial strategy projection; 7.1 states that Shareholders will be provided with final audited annual accounts by 15 June each year.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of clarity and understanding about corporate requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.</p>			<p>consider this recommendation through their Shareholder Representatives in light of future considerations relating to the future of Hertfordshire CCTV Partnership Ltd.</p>	
4.	<p>Terms of Reference:</p> <p>There is no Terms of Reference in place for the CCTV Joint Executive that includes all four of the current CCTV Partner Authorities. Neither is there any Terms of Reference for the CCTV Officer Management Board.</p>	High	<p>We recommend that appropriate revised / new Terms of Reference for the CCTV Joint Executive and the CCTV Officer Management Board are drawn up and formally agreed.</p>	<p>Responsibility:</p> <p>CCTV Joint Executive and CCTV Officer Management Board.</p> <p>Actions:</p>	31 March 2019

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
	<p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.</p>			<p>Terms of Reference will be updated for the CCTV Joint Executive and a Terms of Reference will be created for the CCTV Officer Management Board.</p>	
5.	<p>Constitutions:</p> <p>The extracts from the Constitutions of the four Partner Authorities obtained and examined did not completely, accurately or consistently reflect the Terms of Reference and current Member/Officer representation in respect of the CCTV Joint Executive and the CCTV Officer Management Board.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity</p>	High	<p>We recommend that, once agreed, the revised/new Terms of Reference for the CCTV Joint Executive and the CCTV Officer Management Board are revised / added in the Constitutions for each of the four Partner Authorities, together with the updated Member/Officer representation for both groups.</p>	<p>Responsibility:</p> <p>Each of the four Partner Authorities.</p> <p>Actions:</p> <p>New Terms of Reference will be submitted for formal incorporation into constitutional arrangements for the four Partner Authorities.</p>	31 July 2019

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
	and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.				
6.	<p>Business Plan:</p> <p>Whilst an initial five year Financial Business Plan for the overall CCTV Partnership was drawn up following the formation and inclusion of Hertfordshire CCTV Partnership Ltd. In 2014, it has not been formally reviewed or refreshed since then. Also, it does not include any non-financial aims and targets.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication</p>	High	We recommend that a new five year Business Plan for the overall CCTV Partnership is drawn up and agreed. As a minimum, the plan should be monitored on a monthly basis in terms of achievements against projections and it should be the subject of a full review and refresh annually to cover the next five years ahead on a rolling basis. Besides financial projections, it should include non-financial aims and targets that should be monitored, reviewed and refreshed on the same basis.	<p>Responsibility:</p> <p>CCTV Joint Executive and Company Board of Directors.</p> <p>Actions:</p> <p>We will develop a new five year rolling Business Plan (with monthly monitoring and full annual reviews) for the overall Hertfordshire CCTV Partnership based on decisions about the future direction of Hertfordshire CCTV Partnership Ltd.</p>	31 March 2019





No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
	failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.				
7.	<p>Financial management:</p> <p>Accounting records for the original Partnership were maintained by the Group Accountant (GA) for SBC as the Lead Authority. Following the formation of Hertfordshire CCTV Partnership Ltd, the GA has been further relied on by the Managing Director of the company (who is also the SBC Lead Officer for the four Partner Authorities) to assist with the necessary accounting services and financial responsibilities in relation to the company that are not currently being provided by the external Accountants. However, there has not been formal inclusion of these responsibilities in the GA role.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of</p>	High	We recommend that the role and responsibilities of the SBC Group Accountant in respect of the overall CCTV Partnership are reviewed, evaluated and formerly confirmed. Consideration should be given to increased use of the external Accountants with regard to the accounting requirements of Hertfordshire CCTV Partnership Ltd.	<p>Responsibility:</p> <p>CCTV Officer Management Board, Company Board of Directors and SBC Assistant Director, Finance & Estates.</p> <p>Actions:</p> <p>The role of the SBC Group Accountant in relation to the overall Partnership will be clarified in the revised Partnership Agreement.</p> <p>The Company Directors will consider the accountancy needs of the Company and source appropriately.</p>	31 March 2019

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
	<p>identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.</p>				
8.	<p>Reporting and monitoring:</p> <p>The current reporting arrangements for the overall Partnership, including Hertfordshire CCTV Partnership Ltd, are not clearly defined and are not effectively working in practice to meet the expectations of all Partner Authorities.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may</p>	High	<p>We recommend that all reporting arrangements for the Partner Authorities are formally reassessed, agreed and documented to ensure there is complete clarity and transparency of expectations and understanding across all interested parties regarding the need, responsibility, frequency, timing, content, format and distribution of each report required.</p>	<p>Responsibility:</p> <p>CCTV Joint Executive, CCTV Officer Management Board and Company Board of Directors as appropriate.</p> <p>Actions:</p> <p>Authority reporting arrangements to be included as part of a revised Partnership Agreement, Shareholder Agreement and Terms of Reference as necessary.</p>	31 March 2019

No.	Finding / Associated Risk	Priority	Recommendation	Management Response	Target Date
	result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.				
9.	<p>Charges:</p> <p>Responsibility for the current charging arrangements is unclear which has led to an issue in respect of the communication and timeliness of calculations and billing.</p> <p><u>Associated Risk</u></p> <p>Where there is lack of corporate clarity and understanding about requirements and expectations, or lack of identification and ownership of responsibilities, it may lead to gaps, inconsistencies and communication failings in relation to the leadership, management, reporting and monitoring of the overall Partnership. This may result in a lack of transparency, potential reputational damage and possible financial loss to the Partner Authorities.</p>	High	We recommend that there is a review of how charges are being calculated and billed to the Partner Authorities, clarification of who is responsible for this and agreement of the timing.	<p>Responsibility:</p> <p>SBC Assistant Director, Finance & Estates.</p> <p>Actions:</p> <p>A schedule of charges to be prepared for the Partnership. The schedule will identify recharges applied to the Partnership, including; staffing, overheads, IT, etc.</p> <p>The schedule will also include recharges applied to Hertfordshire CCTV Partnership Ltd.</p> <p>A quarterly finance report to be prepared for the CCTV Officer Management Board, to include year-end financial projections for the Partnership.</p>	1 November 2018

Appendix B - Definitions of Assurance and Finding Priorities Governance Arrangements for the Herts CCTV Partnership

Assurance Level	Definition
Good	The design and operation of the internal control framework is effective, thereby ensuring that the key risks in scope are being well managed and core objectives will likely be achieved. There are minor reportable audit findings.
Satisfactory	The internal control framework is largely working well in managing the key risks in scope, with some audit findings related to the current arrangements.
Limited	The system of internal control is only partially effective, with important audit findings in key areas. Improvement in the design and/or operation of the control environment is necessary to gain assurance risks are being managed to an acceptable level, and core objectives will be achieved.
No	The system of internal control has serious gaps, and controls are not effective in managing the key risks in scope. It is highly unlikely that core objectives will be met without urgent management intervention.

Priority Level			Definition
Corporate	Critical		Audit findings which, in the present state, represent a serious risk to the organisation as a whole, i.e. reputation, financial resources and / or compliance with regulations. Management action to implement the appropriate controls is required immediately.
Service	High		Audit findings indicate a serious weakness or breakdown in control environment, which, if untreated by management intervention, is highly likely to put achievement of core service objectives at risk. Remedial action is required urgently.
	Medium		Audit findings which, if not treated by appropriate management action, are likely to put achievement of some of the core service objectives at risk. Remedial action is required in a timely manner.
	Low / Advisory		Audit findings indicate opportunities to implement good or best practice, which, if adopted, will enhance the control environment. The appropriate solution should be implemented as soon as is practically possible.

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