

Cllr Liam Preece
Chair of Audit and Risk
Assurance Committee

By Email

My Ref:
Your Ref:
Please ask
for:
Telephone
No:
Email:

Date: 27 March 2023

Dear Cllr Preece,

**Re: Audit and Risk Assurance resolution
Minute 23/22**

I write with reference to the resolution of the Audit and Risk Assurance Committee made on 17 March 2022 (detailed at Appendix 1 to this letter).

I would like to pass on my thanks to the Committee for considering the report into historical issues. I fully support the stance taken by the Committee that we must take a zero-tolerance approach to any form of racism (or indeed any of the other protected characteristic).

As Leader, I fully appreciate the importance of the Council understanding, demonstrating and embedding its equality, diversity and inclusion (EDI) agenda. It is for this reason that I have retained the EDI Agenda within my own Cabinet Portfolio.

With regards to this specific issue, I have received a briefing and understand that the names of the employees were actually raised following an internal audit line of enquiry going back to 2014. The Council's Chief Internal Auditor has explained that the employees were identified through other legitimate lines of enquiry being undertaken by the Counter Fraud Team (which related to other matters under consideration) rather than anything to do with the employees' race, colour, ethnicity, culture or religion. This clarification was made clear to the Committee last year.

It is regretted that this information was not available when the Committee initially considered the 'Cox report'; however, this matter does demonstrate the need to ensure matters are fully and properly examined to avoid incorrect conclusions being reached particularly when an emotive issue, such as racism, is being cited.

To ensure all issues and matters were addressed, a referral was made by the Council to the Solicitors Regulatory Authority in relation to Mark Greenburgh's inappropriate comments, as required by the Committee (a referral had already been made to the SRA with regards a comment made by Mr Greenburgh).

A referral was also made to the ICO with regards to the details of the employees being shared with (the then) Wragges law firm who were commissioned to undertake an investigation into a range of issues on behalf of the Council. The ICO concluded that there was no data breach by the Council in sharing those details with Wragges.

Notwithstanding, the clarification now provided with regards to this matter, the Council has accepted, through reviews conducted by both Grant Thornton and the Local Government Association, the need for it to learn the lessons from the past and improve its culture, governance, practises and procedures. That work started nearly two years ago, and important improvements have been achieved during this time.

Key to the council's improvement is the its Equality, Diversity and Inclusion Agenda. Over the last decade or so, the Council's focus on EDI changed from a centralised approach to a more localised one where directorates took a greater lead on managing and implementing the EDI Agenda. This approach sought to empower directorates to drive the EDI Agenda themselves and address specific issues and needs within each directorate.

Since becoming Leader, I decided that a stronger centralised corporate approach was needed that still worked closely with all directorates, but enabled a more robust grip to be taken to ensuring the EDI Agenda was focused, driven and ultimately embedded across the council, as well as promoted in our communities, and by our partners and stakeholders.

I acknowledge that the Council has made mistakes in the past on a range of issues and matters. These have been set out clearly in the recent reviews undertaken by both Grant Thornton and the Local Government Association. Equally, I also acknowledge the efforts, commitment and positive steps taken to date to address those identified shortcomings. Grant Thornton also made it very clear that the council needed to move forward and not dwell on the past which hindered its ability to deliver for Sandwell residents.

You will of course be aware from the follow up reviews of both Grant Thornton and the LGA, that the Council has over the recent past made considerable improvements with regards to its governance arrangements, member/officer relations, and a wide range of working arrangements and practises. These improvements have enabled the Council to focus on and deliver real improvements to the residents of Sandwell. The Council's Improvement Agenda remains a priority and I am determined to ensure that we address every action identified within the Improvement Plan.

An important aspect of improvement is delivering our Culture Change programme. This agenda will involve a deep dive into the Council's culture and will be a vehicle to challenge unhealthy and poor cultures and practises. It will candidly examine failings of the past (without dwelling on them), afford opportunity to all members, staff and other stakeholders to redefine and reset our cultural values and beliefs. Critical to this will be our EDI Agenda and ensuring we embed EDI from top to bottom within the Council. I recognise that the Council will need to demonstrate this through actions and not just words, and show that it has learned lessons from the past and that it is committed to a future where all residents, communities, staff, members and other stakeholders feel and experience fairness, equally opportunity and compassion in all that the Council does.

To this end, the Council established the Equality Commission, established a new Equalities Team, recently approved a new Equality Policy and is reviewing its Equality Objective, adopted the LGA Equality Framework to develop and implement a new EDI Strategy that will set out the Council's roadmap to delivering excellence in EDI over the next 5 years, worked with Staff Networks to give them a greater, meaningful voice, updated guidance on EIAs to ensure decisions are made with a good understanding of EDI implications, and supported and promoted numerous EDI events and initiatives to raise EDI awareness and celebrate our rich and diverse workforce and communities.

I think the above is important context to the specific matter the Committee referred to me.

Finally, I would like to thank the Committee for considering this matter and helping to ensure the council embeds improvement so that we can better serve the residents of Sandwell.

Yours sincerely,

A handwritten signature in cursive script that reads "Kerrie Carmichael".

Cllr Kerrie Carmichael
Leader of the Council