

NOTICE OF MEETING

CORPORATE COMMITTEE

Thursday, 21 July 2022, 7pm – Woodside Room, George Meehan House, 294 High Road, Wood Green, N22 8JZ (watch the live meeting [here](#) watch the recording [here](#))

Councillors: Amin, Mark Blake, Rossetti, Abela, Adje, Culverwell, Diakides (Chair), Dogan (Vice-Chair), Jameson, Mahbub, Mason and Simmons-Safo

Officers: Kaycee Ikegwu (Head of Finance & Housing), Minesh Jani (Head of Audit & Risk Management), Tim Mpofu (Head of Pensions & Treasury), Andrew Meek (Head of Organisational Resilience), Alexis Correa (Deputy Head of Service for Health & Safety, Capital Projects & Property), Benita Edwards (Assistant Head of Legal Services), and Jack Booth (Principal Committee Co-ordinator).

Quorum: 3

1. **FILMING AT MEETINGS**

Please note this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the 'meeting room', you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual, or may lead to the breach of a legal obligation by the Council.

2. **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

3. **URGENT BUSINESS**

The Chair will consider the admission of any late items of Urgent Business. (Late items will be considered under the agenda item where they appear. New items will be dealt with under item 15 below).

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- a. Must disclose the interest at the start of the meeting or when the interest becomes apparent; and
- b. May not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

5. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

To consider any requests received in accordance with Part 4, section B, Paragraph 29 of the Council's Constitution.

6. MINUTES (PAGES 1 - 6)

To confirm and sign the minutes of the Corporate Committee meeting held on 10 March 2022 as a correct record.

7. STATEMENT OF ACCOUNTS 2021-22

To note the Head of Finance's verbal update.

8. TREASURY MANAGEMENT OUTTURN 2021-22 (PAGES 7 - 20)

Corporate Committee is asked:

- a. To note the Treasury Management activity undertaken during the year to 31 March 2022 and the performance achieved which is attached as Appendix 1 to this report.
- b. To note that all treasury activities were undertaken in line with the approved Treasury Management Strategy.

9. HEAD OF AUDIT & RISK MANAGEMENT UPDATE (PAGES 21 - 88)

To note the content of the Head of Audit and Risk Management's annual audit report and assurance statement for 2021/22.

10. ANNUAL GOVERNANCE STATEMENT 2021-22 (PAGES 89 - 118)

Corporate Committee is asked:

- a. To review and approve the draft 2021/22 AGS attached at Appendix A.
- b. To note the approval timescale and processes for the draft 2021/22 AGS.

11. EXTERNAL ASSESSMENT OF INTERNAL AUDIT (PAGES 119 - 154)

To note the positive outcome of the External Quality Assessment for Assurance and are assured over the quality and effectiveness of the Council's Internal Audit Function.

12. INSURANCE ARRANGEMENTS (PAGES 155 - 160)

To note the arrangements put in place to manage the insurable financial risks using insurance arrangements for functions previously managed under by Homes for Haringey.

13. SKILLS TRAINING MATRIX (PAGES 161 - 170)

Corporate Committee is asked:

- a. To note the contents of this report.
- b. That members of the committee complete the skills matrix attached at Appendix A and return the form to Minesh Jani, Head of Audit and Risk Management by 31 August 2022.

14. HEALTH, SAFETY, AND WELLBEING POLICY (PAGES 171 - 194)

The Corporate Committee is asked:

- a. To approve the draft Corporate Health, Safety and Wellbeing Statement Policy, attached at Appendix A.
- b. To authorise the Chief Executive Officer, in consultation with the Chair of the Committee, with the Corporate Health, Safety and Wellbeing Board and with the Corporate Leadership Team, to make such amendments to the policy as considered to be minor. These amendments are to be reported at the next Committee meeting.

15. NEW ITEMS OF URGENT BUSINESS

To consider any items of urgent business as identified at item 3.

16. DATES OF FUTURE MEETINGS

To note the dates of future meetings:

Thursday, 15 September 2022

This meeting will consider the following agenda items:

- Black Boy Lane renaming:
The committee resolved on 1 February 2022:
 - o That officers bring back a progress report to the Committee in September 2022 as towards the goal of achieving implementation by 1 December 2022;
- Draft statement of accounts 2021/22 and provisional plan for audit 2021/22 (Jon Warlow, Kaycee Ikegwu)
- Audit & Risk service update quarter 1 (April - June 2022) (Minesh Jani)
- Treasury management q1 2022/23 update (Thomas Skeen, Tim Mpofu)
 - o Outline of the papers being brought to Corporate Committee for the municipal year

Tuesday, 15 November 2022

This meeting will consider the following agenda items:

- External audit plan 2021-22 (Minesh Jani)
- Audit & Risk service update - quarter 2 (July - September 2022) (Minesh Jani)
- Treasury management update mid-year report 2022-23 (Thomas Skeen, Tim Mpofu) – Report to go up to full council after approval
- Treasury strategy (Thomas Skeen, Tim Mpofu)

Thursday, 2 February 2022

This meeting will consider the following agenda items:

- Treasury management update q3 (Thomas Skeen, Tim Mpofu)

Tuesday, 28 March 2022

This meeting will consider the following agenda items:

- Quarter 4 treasury management update
- Audit & Risk q3 progress report (Minesh Jani)
- Annual internal audit plan, strategy, and charter 2022-23 (Minesh Jani)
- Verbal update on 2021-22 audit progress (Minesh Jani)

All meetings to commence at 7pm.

Jack Booth, Principal Committee Co-ordinator

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Fiona Alderman

Head of Legal & Governance (Monitoring Officer)

George Meehan House, 294 High Road, Wood Green, N22 8JZ

Wednesday, 13 July 2022

MINUTES OF THE MEETING OF THE CORPORATE COMMITTEE HELD ON THURSDAY, 10 MARCH, 2022, 7PM – 8.15PM

PRESENT: Councillors: Peter Mitchell (Chair), Barbara Blake (Vice-Chair), Kaushika Amin, Mark Blake, Mahir Demir, Joseph Ejiofor and Scott Emery

1. FILMING AT MEETINGS

The Chair referred to the notice of filming at meetings and this information was noted.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Patrick Berryman, Alessandra Rossetti, Dawn Barnes, Emine Ibrahim.

Clerks note: Councillor Rossetti joined the meeting virtually but could not be considered as present for the purposes of the attendance record. In agreement with the Democratic Services team before the meeting Councillor Rossetti was allowed to ask questions and make comment on non-decision-making items.

3. URGENT BUSINESS

There was no urgent business.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

There were no deputations.

6. MINUTES

RESOLVED

That the minutes of the Corporate Committee meeting held on 1 February 2022 be confirmed and signed as a correct record.

7. TREASURY MANAGEMENT UPDATE REPORT Q3 2021-22

The Head of Pensions & Treasury introduced the report which provided an update on the Council's treasury management activities and performance in the first three quarters of the financial year to 31 December 2021 in accordance with the CIPFA Treasury Management Code of Practice.

In response to questions, the following answers were provided:

- The Bank of England inflation rate and CPI had increased since the report for quarter three had been published. Nevertheless, these trends would not prompt a deviation from the current strategy, particularly around borrowing. Short term borrowing tended to be more cost effective and longer-term borrowing provided cost certainty. It was important to note that currently market trends were in flux and volatile. To negate any detrimental affects the Head of Pensions & Treasury was in contact with the Council's financial advisors Arlingclose and continually looked for opportunities to achieve savings on loans where possible;
- The UK Infrastructure Bank, owned and backed by HM Treasury, was offering loans for qualifying projects at gilt yields plus 0.60%, which is 0.20% lower than the PWLB certainty rate. The possibility of accessing a UK Infrastructure Bank loan for infrastructure projects had been discussed with the Council's advisors. There was an issue with timescales when accessing these loans. It was believed that the processing time for an application was around three to six months, this did not factor in the time it took to create the application which was thought to be extensive. PWLB loans in contrast were timelier. The Council's approach to accessing loans from both providers was being reviewed with the Council's advisors. If the Council were to decide to apply for a UK Infrastructure Bank loan, a paper would be put to this committee for approval;
- The borrowing costs underspend was created through the lower interest rate environment, as well as delays in the capital programme's delivery. Going forward there was likely to be a peak as the lower interest rate environment was unlikely to be the same; and
- In response to a question asked by Councillor Rossetti, it was explained that the Prudential Code was currently effective. The new treasury management strategy would be in-line with the new CIPFA code. When presenting the next treasury management strategy to members, an update of how the strategy had been altered to ensure compliance with the new code would be outlined. The Council's current level of borrowing would be compliant with the new code. The prohibited activities in the new code were already in-line with how the Council has been managing its current borrowing.

RESOLVED

1. To note the Treasury Management activity undertaken during the first three quarters of the financial year to 31 December 2021 and the performance achieved which is attached as Appendix 1 to this report.
2. To note that all treasury activities were undertaken in line with the approved Treasury Management Strategy.

8. AUDIT & RISK Q3 PROGRESS REPORT

The Head of Audit & Risk Management introduced the report which provided details on the work undertaken by the in-house Audit & Risk team, as well as the Council's outsourced partner Mazars, for the quarter ending 31 December 2021.

In response to questions, the following answers were provided:

- Regarding the suspense accounts, this related to money received that could not be allocated to any account. This money was then held in suspense, with a

- view to finding out what accounts this money should be assigned to. This was a longstanding process, where it was difficult to ascertain if payments had been made in error or were payments that had not been made to the correct account;
- At the previous audit payroll received limited assurance. It was noted that payroll service in general was looking to implement a stronger regime. At present the payroll function needed to make significant changes to ensure improvement;
 - There was a substantial amount of ongoing anti-fraud cases, which were split across departments. This was because the fraud team would raise a recommendation to a service, that service would then act on the recommendation;
 - In response to a question asked by Councillor Rossetti, it was explained that the reports highlighted in the report were given to Councillors for information, so they were aware at how audits were progressing. The acquisition and disposal of assets audit was scheduled to be presented to the committee at the next meeting;
 - The financial value of the recovered properties was based on a CIPFA estimate of £18,000 per unit per annum. CIPFA had estimated the cost of each unit not being available to the local authority. The right to buy figure of £4,000,000 was based on the discount value of property sold by the local authority; and
 - Some schools had received a low level of assurance a few years ago. There were signs of improvement, this was in part due to the efforts of the local authority to inform schools of the sorts of controls that are necessary to effect good governance.

RESOLVED

To note the activities of the team during quarter three of 2021/22.

9. ANNUAL INTERNAL AUDIT PLAN, STRATEGY, AND CHARTER 2022/23

The Head of Audit & Risk Management introduced the report which provided the annual internal audit plan which the Corporate Committee were asked to consider and approve.

In response to questions, the following answers were provided:

- One of the purposes of this audit was to take a holistic view in terms of what the local authority does regarding community engagement on a wide variety of activities. The audit would look at the overarching framework of consultation, paying consideration to levels of engagement to gauge how effective that framework was;
- Missing children service referred to children whose whereabouts were unknown, the audit looked at what steps were taken to identify where the child was;
- The auditing of the acquisitions and disposal of assets would be a piece of work that the Head of Audit & Risk Management proposed to look at in the upcoming municipal year. This was due to the level of interest raised about this area at Corporate Committee, creating the need to assure that good governance practices were being followed;

- Health and safety had been added to the internal audit plan in July 2021. It was being added again in the following municipal year as it would be looking at different aspects of health and safety; and
- Hospitality and gifts were added as an advisory audit. It was not in the current paperwork as it was carried out internally, rather externally.

RESOLVED

To approve the updated Annual Internal Audit Strategy and Plan for 2022/23 (Appendix A) and the Internal Audit Charter (Appendix B).

10. VERBAL UPDATE ON 2020/21 AUDIT PROGRESS

David Eagles, from the Council's external auditors BDO, gave a verbal update from on 2020/21 Audit Progress.

The following points about the 2020/21 Audit Progress were highlighted:

- He had intended to bring completion reports to the meeting. However, this was not possible as there were several outstanding items;
- An issue affecting reporting timelines was a developing national issue that related to the valuation of infrastructure assets. The issue had arisen when new capital expenditure on infrastructure was incurred and should be valued at cost less depreciation, but there was an issue where there was some residual value. This issue had been taken to the National Audit Office and was mutually recognised by the National Audit Office and CIPFA. They were hoping that the issue would be resolved by the next meeting in the new municipal year;
- Auditing firms had ceased conducting valuation on infrastructure assets. This was due to an auditing company having recently received a sanction from the Financial Reporting Council, for a failure to deal accurately with this type of valuation;
- In terms of reporting on the entire Council there were significant volumes of risk that the auditors had to examine, which had led to timescales not being met. There was continued pressure from quality regulators to increase the level of scrutiny, which had also added to workload; and
- There had been good progress with the pension fund, the information required had recently been received and was now being worked on. There had been issues with accessing the system to test pension benefits, to resolve this the auditors would come on site to do this work.

In response to questions, the following answers were provided:

- There was a long history with valuing infrastructure assets in local authorities. In summary infrastructure assets were valued at the cost less depreciation method, for comparison most other assets had a valuation attributed to it. A few years ago, attempts were made to attribute a valuation to infrastructure assets; however, this was abandoned due to the difficulty of doing this. The CIPFA code required depreciation to be written in, this was not common practice among most local authorities. This was mutually accepted practice across local authorities, which had been questioned since the quality regulator had recently pressured local authorities into a change in perspective and workload.

11. PUBLIC RIGHT OF WAY APPLICATION

The Interim Head of Planning Policy, Transport and Infrastructure introduced the report which required the committee to take a decision on an Application for Definitive Map of Public Rights of Way to be modified to include a footpath between Dickenson Road and Mountview Road in Crouch End.

In response to questions, the following answers were provided:

- The Transport Planning Team had not consulted an independent legal expert; however, that had consulted extensively with the Council’s own legal team;
- The Chair felt that there were conflicting statements from residents about when a gate had been in place. The Planning Policy Team Manager agreed. He emphasised that for a Public Right of Way to be established it was necessary to demonstrate uninterrupted public use for 20 years. On the balance of probabilities, the evidence from the applicant suggested that this was not the case. There was also strong evidence from the landowners to suggest that there had not been 20 years of uninterrupted use; and
- It was unknown why the landowner had decided to put up a gate in 2021. The Interim Head of Planning Policy, Transport and Infrastructure suggested that the gate may have been erected due to leaseholder complaints about anti-social behaviour along the route. The actual reason for why the gate was put up was immaterial to the decision about whether the route should be designated a Public Right of Way.

RESOLVED

Having considered the documentation as set out at Appendix B to C, the Committee rejected the application (as set out at Appendix A) under section 53(5) of the Wildlife and Countryside Act 1981 to make an Order for the Council’s Definitive Map to be modified to include the footpath between Mount View Road and Dickenson Road.

12. NEW ITEMS OF URGENT BUSINESS

There were no items of urgent business.

13. DATES OF FUTURE MEETINGS

To note the dates of future meetings:

- Thursday, 21 July 2022
- Thursday, 15 September 2022
- Tuesday, 15 November 2022
- Thursday, 2 February 2023
- Tuesday, 28 March 2023

CHAIR: Councillor Peter Mitchell

Signed by Chair

Date.....

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Report for: Corporate Committee – 21 July 2022

Title: Treasury Management Outturn Report 2021/22

Report authorised by: Thomas Skeen, Assistant Director of Finance (Deputy S151 Officer)

Lead Officer: Tim Mpofu, Head of Pensions & Treasury
tim.mpofu@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non Key decision

1. Describe the issue under consideration

- 1.1. The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve reports on the performance of the treasury management function at least twice yearly (mid-year and at year end).
- 1.2. The Council's Treasury Management Strategy for 2021/22 was approved by Full Council on 1 March 2021.
- 1.3. This report provides an update to the Committee on the Council's treasury management activities and performance in the year to 31 March 2022 in accordance with the CIPFA Treasury Management Code of Practice.

2. Cabinet Member Introduction

- 2.1. Not applicable.

3. Recommendations

The Corporate Committee is requested:

- 3.1. To note the Treasury Management activity undertaken during the year to 31 March 2022 and the performance achieved which is attached as Appendix 1 to this report.
- 3.2. To note that all treasury activities were undertaken in line with the approved Treasury Management Strategy.

4. Reason for Decision

4.1. None.

5. Other options considered

5.1. None.

6. Background information

6.1. The Council's treasury management activity is underpinned by CIPFA's Treasury Management in Public Services: Code of Practice (the CIPFA Code), which requires local authorities to produce annually, Prudential Indicators and a Treasury Management Strategy Statement. CIPFA has defined Treasury management as: "The management of the local Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

6.2. The CIPFA Code recommends that members are informed of treasury management activities at least twice a year. Formulation of treasury policy, strategy and activity is delegated to the Corporate Committee and this Committee receives reports quarterly.

6.3. However, overall responsibility for treasury management remains with full Council and the Council approved the Treasury Management Strategy Statement and set the Prudential Indicators for 2021/22 on 1 March 2021. The Corporate Committee is responsible for monitoring treasury management activity, and this is achieved through the receipt of quarterly/annual reports.

6.4. Government guidance on local authority treasury management states that local authorities should consider the following factors in the order they are stated:

Security - Liquidity - Yield

6.5. The Treasury Management Strategy reflects these factors and is explicit that the priority for the Council is the security of its funds. However, no treasury activity is without risk and the effective identification and management of risk are integral to the Council's treasury management activities.

7. Contribution to Strategic Outcomes

7.1. None.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

8.1. Finance comments are contained within the body of the report.

Legal

8.2. The Head of Legal and Governance has been consulted on the content of this report. The report is consistent with legislation governing the financial affairs of the Council. In particular, the Council must comply with the requirements of the Local Government Act 2003, the Local Authorities (Capital Financing & Accounting – England) Regulations 2003 and the Localism Act 2011 and the CIPFA Treasury Management code.

8.3. In considering the report Members must take into account the expert financial advice available to it and any further oral advice given at the meeting of the Committee.

Equalities

8.3. There are no equalities issues arising from this report.

9. Use of Appendices

9.1. Appendix 1 – Treasury Management Outturn Report 2021/22

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.

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Appendix 1 - Treasury Management Outturn Report 2021/22

1. Introduction

- 1.1. The Authority has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve treasury management semi-annual and annual reports.
- 1.2. The Authority's treasury management strategy for 2020/21 was approved at a full Council meeting on 1 March 2021. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.
- 1.3. Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report.
- 1.4. The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 1 March 2021.

2. External Context (provided by the Council's treasury management advisor, Arlingclose)

Economic background

- 2.1. The continuing economic recovery from the coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.
- 2.2. At the beginning of the reporting period, the Bank of England's Bank Rate was 0.10%. In April and May of 2021, the economy gathered momentum as governments began to ease pandemic restrictions. Despite the improving outlook, market expectations at the time were that the Bank of England would delay raising interest rates until 2022. Rising and persistent inflation would later change this view.
- 2.3. UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. This was initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns. The consensus view at the time was the impact of this inflation would be temporary. However later in the year, price rises slowly became more widespread as a combination of rising global costs and strong demand was exacerbated by supply shortages.
- 2.4. The surge in wholesale gas and electricity prices led to higher inflation expectations. UK CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components (e.g., food and energy), rose to 5.2% year over year from 4.4%.

- 2.5. The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. As a result, the labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs.
- 2.6. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. The 3-month average annual growth rate for wages was 4.8% for total pay and 3.8% for regular pay. In real terms (after adjusting for inflation), total pay growth was up 0.1% while regular pay fell by 1.0%.
- 2.7. UK Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 and took UK GDP to just 0.1% below where it was before the pandemic.
- 2.8. In December 2021, the Bank of England increased the Bank Rate from 0.10% to 0.25%. Further increases followed in February 2022 (increase to 0.50%) and March 2022 (increase to 0.75%). At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.
- 2.9. In its March 2022 interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.
- 2.10. Across the pond, the US economy expanded at an annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

Financial Markets

- 2.11. The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.
- 2.12. Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields. However, the general upward trend from higher interest rates proved to be the dominant factor in rising bond yields.
- 2.13. The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.
- 2.14. The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

Credit Review

- 2.15. In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Authority's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.
- 2.16. The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty caused by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.
- 2.17. Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. The institutions and durations on the Authority's counterparty list recommended by treasury management advisors Arlingclose remain under constant review.

Revised CIPFA Codes, Updated PWLB Lending Facility Guidance

- 2.18. In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.
- 2.19. CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.
- 2.20. The principles of the Prudential Code took immediate effect although local authorities could defer introducing the revised reporting requirements until the 2023/24 financial year if they wish. The Authority has opted for the option to defer these report requirements until 2023/24.
- 2.21. To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.
- 2.22. Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.

3. Local Context

- 3.1. On 31st March 2022, the Authority had net borrowing of £700.4m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

Type of Liability	31.03.21 Actual £m	31.03.22 Actual** £m
General Fund CFR	507.7	598.1
HRA CFR	332.3	404.6
Total CFR **	840.0	1,002.7
Less: *Other debt liabilities	(28.2)	(28.2)
Borrowing CFR – comprised of:	811.8	974.5
- External borrowing	555.9	700.4
- Internal borrowing	255.9	274.1

* finance leases, PFI liabilities and transferred debt that form part of the Authority's total debt

** subject to audit

- 3.2. Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used instead of borrowing. The Authority continued to pursue its long-standing strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.
- 3.3. The treasury management position on 31st March 2022 and the change over the year is shown in Table 2 below.

Table 2: Treasury Management Summary

Type of Borrowing / Investment	31.03.21 Balance (£m)	Movement (£m)	31.3.22 Balance (£m)	31.3.22 Rate (%)
Long-term borrowing	496.9	103.5	600.4	2.99
Short-term borrowing	59.0	41.0	100.0	0.32
Total borrowing	555.9	144.5	700.4	2.61
Long-term investments	0.0	0.0	0.0	0.00
Short-term investments	5.0	0.0	5.0	0.12
Cash and cash equivalents	12.0	54.2	66.2	0.50
Total investments	17.0	54.2	71.2	0.47
Net borrowing	538.9	90.3	629.2	

4. Borrowing Update

- 4.1. The Authority was not planning to borrow to invest primarily for commercial return and so is unaffected by the changes to the Prudential Code.

Borrowing strategy during the period

- 4.2. At 31st March 2022, the Authority held £700.4m of loans, (an increase of £144.5m compared to 31st March 2021), as part of its strategy for funding previous and current years' capital programmes. Outstanding loans on 31st March 2022 are summarised in Table 3 below.

Table 3: Borrowing Position

	31.03.21 Balance £m	Net Movement £m	31.03.22 Balance £m	31.03.22 Weighted Average Rate %	31.03.22 Weighted Average Maturity (years)
Public Works Loan Board	371.9	103.5	475.4	2.54	30.20
Banks (LOBO)	125.0	0.0	125.0	4.72	38.19
Local authorities (short-term)	59.0	41.0	100.0	0.32	0.32
Total borrowing	555.9	144.5	700.4	2.61	27.35

- 4.3. The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.
- 4.4. In keeping with these objectives, £120m of new long-term borrowing was undertaken during the year, while £16.5m of existing loans were allowed to mature without replacement. This strategy enabled the Authority to take advantage of the lower long-term borrowing rates and reduce overall treasury refinancing risk.
- 4.5. With short-term interest rates remaining much lower than long-term rates and temporary investments earning Bank Rate or lower, the Authority considered it prudent to undertake both short-term and long-term borrowing during the course of the year. The net movement in temporary / short-term loans is shown in Table 3 above.
- 4.6. The Authority has a significant capital programme which extends into the foreseeable future. A large proportion of this will be financed by borrowing, which the Authority will have to undertake in coming years. The Authority's treasury advisor, Arlingclose undertakes a weekly 'cost of carry' analysis which informs the Authority on whether it is financially beneficial to undertake borrowing now or delay this for set time periods based on PWLB interest rate forecasts.
- 4.7. Any borrowing which is taken prior to capital expenditure taking place, and reducing the extent of the Authority's internal borrowing, would have to be invested in the money markets at rates of interest significantly lower than the cost of borrowing, creating an immediate cost for revenue budgets. The Authority's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short- and long-term borrowing is maintained.

LOBO Loans

- 4.8. The Authority continues to hold £125m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. No banks exercised their option during the year.

5. Treasury Investment Activity

- 5.1. CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
- 5.2. The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Authority's investment balances ranged between £17.0 and £71.2 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

Investments	31.03.20 Balance £m	Net Movement £m	31.03.21 Balance £m	31.03.21 Rate of Return %	31.03.21 Weighted Average Maturity (Days)
Banks & building societies (unsecured)	0.0	0.0	0.0	0.00	
Money Market Funds	0.0	0.0	0.0	0.00	
UK Government:					
- Local Authorities	5.0	0.0	5.0	0.12	144
- Debt Management Office	12.0	54.2	66.2	0.50	1
Total investments	17.0	54.2	71.2	0.47	11

- 5.3. Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 5.4. Ultra-low short-dated cash rates, which were a feature since March 2020 when Bank Rate was cut to 0.1%, prevailed for much of the 12-month reporting period which resulted in the return on sterling low volatility net asset value (LVNAV) Money Market Funds being close to zero even after some managers had temporarily waived or lowered their fees. However, higher returns on cash instruments followed the increases in Bank Rate in December, February and March. At 31st March, the 1-day return on the Authority's MMFs ranged between 0.40% - 0.55%.
- 5.5. Similarly, deposit rates with the Debt Management Account Deposit Facility (DMADF) initially remained very low with rates ranging from 0% to 0.1%, but following the hikes to policy rates increased to between 0.55% and 0.85% depending on the deposit maturity.
- 5.6. The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 on the following page.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (Days)	Rate of Return
31.03.2021	3.91	AA-	0%	8	0.28%
31.03.2022	4.46	AA-	44%	110	0.06%
Similar Local Authorities	4.77	A+	72%	56	0.55%
All Local Authorities	4.64	A+	66%	16	0.66%

Scoring:

AAA = highest credit quality = 1; D = lowest credit quality = 26

Aim = A- or higher credit rating, with a score of 7 or lower, to reflect current investment approach with main focus on security

Non-Treasury Investments

- 5.7. The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
- 5.8. Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also broadens the definition of investments to include all such assets held partially or wholly for financial return.
- 5.9. The Authority also hold properties which are classified as "investment properties" in the Authority's Statement of Accounts. These properties which are all within the local area, and the revenue stream associated with these (net of the costs of maintaining the properties) forms a modest part of the Authority's annual budget, therefore contributing to the resources available to the Authority to spend on local public services.
- 5.10. The balances of non-treasury investments as at 31st March 2022 were as follows:

Table 6: Non-treasury investment balances

Non-Treasury Investments	31.03.22 Gross Balance £m	Loss Allowance £m	31.03.22 Net Balance £m	Weighted Average Rate of Return %	Net Total Revenue £m
Local Businesses	1.6	(0.9)	0.7	5.20	0.1
Local Charities	49.0	(43.5)	5.5	3.00	0.2
Local Residents	0.1	0.0	0.1	4.00	0.0
Commercial Properties*	88.6	0.0	88.6		
Total investments	139.3	(44.4)	94.9		0.3

*corporate finance are assessing the full impact of the commercial properties revenue in 21/22

- 5.11. The largest balance above relates to Alexandra Palace debts (shown under local charities). There is a large amount of historic debt that a provision was created for, however this has not been written off.
- 5.12. Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's Statement of Accounts for 2018/19 onwards are shown net of this loss allowance. However, the

Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

- 5.13. The Authority assesses the risk of loss before entering into and whilst holding service loans by weighing up the service outcomes any such loan could provide against the creditworthiness of the recipient. This is done on a case-by-case basis, given the low number of such arrangements. This forms part of the Authority's capital programme, further details of which are in the Authority's annual medium term financial strategy.

Treasury Performance

- 5.14. Treasury investments generated an average rate of return of 0.07% in the year. The Authority's treasury investment income for the year was £71k against a budget of £75k.
- 5.15. Borrowing costs for 2021/22 were £17.5m (£10.5m HRA, £7.0m General Fund) against a budget of £24.8m (£16.2m HRA, £8.6m General Fund).

6. Compliance

- 6.1. The Director of Finance reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy.
- 6.2. Compliance with the authorised limit and operational boundary for external debt is demonstrated in Table 7 below.

Table 7: Debt Limits

	31.03.22 Actual £m	2021/22 Operational Boundary £m	2021/22 Authorised Limit £m	Complied?
Borrowing	700.4	1,157.4	1,207.4	Yes
PFI and Finance Leases	28.2	28.2	31.0	Yes
Total debt	728.6	1,185.6	1,238.4	Yes

- 6.3. Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure, however, Haringey's debt remained well below this limit at all points in the financial year.

Treasury Management Indicators

- 6.4. The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security

- 6.5. The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic

average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	31.03.22 Actual	2021/22 Target	Complied?
Portfolio average credit score	4.46 (AA-)	7.0 (A-)	Yes

Liquidity

- 6.6. The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	31.03.22 Actual	2021/22 Target	Complied?
Total cash available within 3 months	66.2	10.0	Yes

Interest Rate Exposures

- 6.7. This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	31.03.22 Actual	2020/21 Target	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£0.45m	£1m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£0.45m	£1m	Yes

- 6.8. The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

Maturity Structure of Borrowing

- 6.9. This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	31.03.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	15.70%	50%	0%	Yes
12 months and within 24 months	3.38%	40%	0%	Yes
24 months and within 5 years	3.31%	40%	0%	Yes
5 years and within 10 years	4.96%	40%	0%	Yes
10 years and within 20 years	12.19%	40%	0%	Yes
20 years and within 30 years	6.42%	40%	0%	Yes
30 years and with 40 years	20.91%	50%	0%	Yes
40 years and within 50 years	32.12%	50%	0%	Yes
50 years and above	0.00%	40%	0%	Yes

- 6.10. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

- 6.11. The Authority has used short term borrowing (under 1 year in duration) from other local authorities extensively in recent years, as an alternative to longer term borrowing from PWLB, due to lower interest rates, and corresponding revenue savings. Short term borrowing exposes the Authority to refinancing risk: the risk that rates rise quickly over a short period of time and are at significantly higher rates when loans mature, and new borrowing has to be raised. With this in mind, the Authority has set a limit on the total amount of short-term local authority borrowing, as a proportion of all borrowing.

Short term borrowing	Limit	31.03.22	Complied?
Upper limit on short-term borrowing from other local authorities as a percentage of total borrowing	30%	14%	Yes

Principal Sums Invested for Periods Longer than a year

- 6.12. The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2020/21	2021/22	2022/23
Actual principal invested beyond year end	Nil	Nil	Nil
Limit on principal invested beyond year end	£10m	£10m	£10m
Complied?	Yes	Yes	Yes

Report for: Corporate Committee – 21 July 2022

Title: Annual Internal Audit Report 2021/22

Report authorised by : Chief Financial Officer

Lead Officer: Minesh Jani, Head of Audit and Risk Management
Tel: 020 8489 5973
Email: minesh.jani@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision: Information**

1. Describe the issue under consideration

- 1.1 To inform Members of the overall adequacy and effectiveness of the system of internal control and risk management operating throughout 2021/22 and present a summary of the audit work undertaken to formulate the opinion, including reliance placed on work by other bodies.
- 1.2 This report also fulfils the relevant statutory requirements of the 2017 UK Public Sector Internal audit Standards (PSIAS); the 2017 Local Government Transparency Code; and the Corporate Committee's terms of reference.

2. Cabinet Member Introduction

- 2.1 Not applicable.

3. Recommendations

- 3.1 To note the content of the Head of Audit and Risk Management's annual audit report and assurance statement for 2021/22.

4. Reasons for decision

- 4.1 The Corporate Committee is responsible reviewing the Annual Internal Audit Report as part of the required statutory processes.
- 4.2 In order to facilitate this, reports are provided on a quarterly basis to the Corporate Committee on the work undertaken by the Internal Audit Service in completing the 2021/22 annual audit plan, together with reports on the responsive and pro-active fraud investigation work undertaken during the year.
- 4.3 The report also supports the production of the Council's statutory Annual Governance Statement.

5. Alternative options considered

- 5.1 Not applicable.

6. Background information

- 6.1 One of the terms of reference for the Corporate Committee is *'to consider the Head of Audit and Risk Management's annual report and a summary of Internal Audit activity (actual and proposed) and the level of assurance it can provide about the Council's corporate governance arrangements.'*
- 6.2 In addition, the mandatory PSIAS state:
- The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.
 - The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
 - The annual report must incorporate:
 - the opinion;
 - a summary of the work that supports the opinion; and
 - a statement on conformance with the PSIAS and the results of the quality assurance and improvement programme.
- 6.3 The 2015 Local Government Transparency Code requires the Council to publish information annually in respect of its counter-fraud activities and the resources used to undertake this.
- 6.4 The information in this report has been compiled from information held within Audit & Risk Management and from records held by Mazars Public Sector Internal Audit Ltd (Mazars), the contracted provider of internal audit services to the Council and relates to the work carried in the financial year 2021/22.

7. Contribution to strategic outcomes

- 7.1 The internal audit and counter-fraud teams make a significant contribution to ensuring the adequacy and effectiveness of internal control throughout the Council, which covers all Corporate Plan Priority areas.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance and Procurement

The Head of Corporate financial Strategy and Monitoring has been consulted in the preparation of this report. There are no direct financial implications arising from this report. The work completed by Mazars is part of the framework contract which was awarded to the London Borough of Croydon and extended to 31 March 2024, in accordance with EU regulations. The costs of this contract are contained and managed within the Audit and Risk Management revenue budget.

8.2 Legal

The Head of Legal has been consulted in the preparation of this report, and in noting that the level of audit coverage complies with the mandatory PSIAS

industry required standards, the opinion expressed by the Head of Audit & Risk Management and that measures have been put in place to deal with instances where assurance levels are an issue, has no comments.

8.3 **Equality**

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not.

As contracted providers of Haringey Council, the internal audit contractor is required to demonstrate a strong commitment to equality and fairness in their actions and work practices, and adherence to the Equality Act 2010. Ensuring that the Council has effective internal audit and assurance arrangements in place will also assist the Council to use its available resources more effectively.

9. **Use of Appendices**

Appendix A – Annual Internal Audit Report 2021/22

Appendix B – Internal Audit Outcomes 2021/22 – Mazars

Appendix C – Schools Audit Outcomes 2021/22 - Mazars

Appendix D – Anti Fraud Outcomes 2021/22

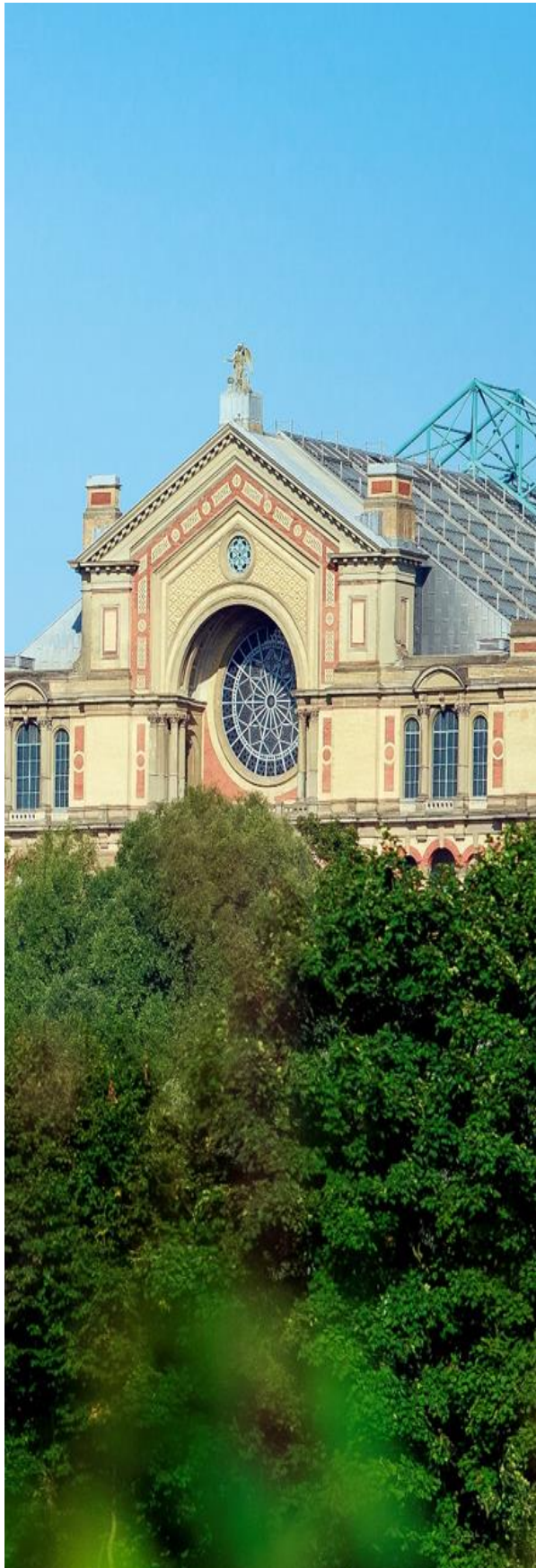
Appendix E – Homes for Haringey Annual Report (E a,b and c).

10. **Local Government (Access to Information) Act 1985**

Not applicable

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**APPENDIX A - Annual Internal Audit Report 2021/22
(Including Head of Internal Audit Opinion)**



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Appendix B - Outcomes from Systems Audits and Follow Ups 2021/22	
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Appendix D - Anti-Fraud work 2021/22	
Appendix E (A, B,C) – Homes for Haringey 2021/22 Annual Report and Appendices	

Introduction

1. Role of Internal Audit

- 1.1 The requirement for an internal audit function is detailed within the Accounts and Audit (England) Regulations (amended) 2015, which states that a relevant body must: *'Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'*
- 1.2 The mandatory UK Public Sector Internal Audit Standards (PSIAS) require the Head of Internal Audit to provide an annual opinion, which is based upon the internal audit work performed, on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and internal control. This is achieved through a risk based internal audit plan. For 2021/22, the internal audit plan was agreed with management and endorsed by the Corporate Committee at the start of the financial year. The internal audit plan provides a reasonable level of assurance over the system and internal controls operating in the Council and the level of assurance should not be regarded as absolute.
- 1.3 Under the PSIAS, internal audit is required to have an External Quality Assessment (EQA) at least once every five years. Haringey's audit was externally assessed earlier in 2022 which confirmed that the Council's Audit Service **fully complied** with the required standards. The EQA considered annual self-assessments undertaken and the service's Quality Assurance and Improvement Plan (QAIP). Mazars were last independently audited in 2019 to confirm the robustness of their methodology and compliance with standards. A full report will be presented to Members regarding the EQA and compliance with PSIAS as that is a requirement of the standards.
- 1.4 Internal Audit services for Haringey Council, excluding the investigation of allegations of fraud and corruption and some other special review or investigations, is provided by Mazars LLP (Mazars) as part of the framework contract awarded to the London Borough of Croydon. The contract was retendered in 2017 and now runs until 2024 with a further option to extend for 2 years.
- 1.5 Covid-19 had a significant impact on the delivery of the 2020/21 audit plan, this and challenges in recruitment in the private sector audit firms has impacted delivery of the audit plan. For 2021/22 this has been in part managed by some additional in-house resource being procured to provide more resilience to the service though Covid-19 has impacted on the delivery of the 2021/22 audit plan.

2. Internal Audit Approach

- 2.1 To assist the Council in meeting the relevant audit standards and achieving its objectives, internal audit provides a combination of assurance and advisory activities. Assurance work involves assessing how well the systems and processes are designed and working; advisory activities are available to help improve systems and processes where required.
- 2.2 Despite the issues highlighted above, a full range of internal audit services has been provided during the year and has been considered when forming the annual opinion.

The approach to each audit review is determined by the Head of Audit and Risk Management, in discussion with Mazars and service management and will depend on; the level of assurance required; the significance of the area under review; and risks identified.

- 2.3 A report is issued for every assurance project in the annual audit plan, which provides an overall audit opinion according to the level of risk of the findings. In addition, each recommendation is given a priority rating, to assist service management in prioritising their work to address agreed recommendations. The overall classification relates to the findings at the time of the audit work. Internal Audit undertake formal follow up work to ensure recommendations are implemented. The work completed by in house resources in the Audit and Risk Service is detailed in this document and Appendix D. The work completed by Mazars is detailed at Appendix B and C.
- 2.4 An additional Appendix E to this Annual Report is included for 2021/22 for audits previously undertaken by the Council's Arm's Length Management Organisation, Homes for Haringey, with its services being delivered by the Council from 1 June 2022. Although Internal Audit have provided Audit Services to Homes for Haringey and have significant understanding of the operational risks for the returning services, additional audit focus will be given to these risk areas in the next two years to ensure governance and control arrangements have embedded in.

Executive Summary

3. Internal Audit Opinion

- 3.1 The Head of Audit and Risk Management is responsible for delivering an annual audit opinion and report that can be used by the Council to help inform its statutory Annual Governance Statement. The annual audit opinion provides a conclusion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- 3.2 Internal audit work was carried out using a risk-based approach and included reviews of those systems, projects, and establishments to discharge the Chief Financial Officer's responsibilities under s151 of the Local Government Act 1972; the 2017 UK Public Sector Internal Audit Standards; and the 2015 Accounts and Audit (England) Regulations.
- 3.3 In providing the annual audit opinion, reasonable but not absolute assurance can be provided that there are no fundamental weaknesses in the processes reviewed. In assessing the level of assurance given, I have taken account of:
- reports on all internal audit work completed, including any advisory work, control failure investigations and briefings to management;
 - results of follow up exercises undertaken;
 - any reviews completed by external review bodies;
 - Risk Management workshops undertaken to support management to better manage either existing or emerging risk areas;
 - the resources available to deliver the internal audit plan; and

- compliance with 2017 UK PSIAs.

- 3.4 I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of the Council's internal control environment.
- 3.5 I have considered the work completed by both Mazars and the in-house team, including that of the anti-fraud investigation team for 2021/22. This includes reviews of internal audit reports, fraud investigations and briefings to management. In my opinion, with the exception of those areas where 'limited' or 'nil' assurance reports have been issued, the controls in place in those areas reviewed are adequate and effective.
- 3.6 Where weaknesses in controls have been identified, internal audit has worked with management to agree appropriate actions and timescales to improve controls. Internal Audit undertake follow up reviews or further audit work to confirm their implementation.
- 3.7 For 2021/22, I have also considered the Council's continued response to the COVID-19 pandemic and also other significant challenges that have followed around the Local Welfare Assistance Programme and cost of living crisis. I worked closely with Senior Officers to monitor these corporate workstreams throughout the year and have taken assurance from the outcomes of this work to inform the opinion.
- 3.8 It is my opinion that overall internal audit can provide **Adequate Assurance** that the system of internal control that has been in place at the Council for the year ended 31st March 2022 and accords with proper practice, except for the significant internal control issues referred to in this report. This means that there is generally a sound control framework in place, but there are some specific gaps in the control framework which need to be addressed.
- 3.9 Outcomes of the 2021/22 audit plan contained within this report indicate that areas where assurances were not adequate were: Mental Health Assessments; Elective Home Education; Deprivation of Liberty; Payroll, Recruitment of Temporary Agency Workers, New River Leisure Centre, Building Compliance (Corporate and Schools), Compliance with the ICO Accountability Framework, Cyber Security, Council Tax, Use and Control CCTV, Building Compliance and Contract Management. Contracts and Procurement was an area of concern in 2020/21 and we continue to monitor the progress to address control weaknesses, it is noted most of this is dependent on changes to operating model and technology in the Council and these projects remain in progress at the end of 2022. Significant work was completed in Property Services in 2021/22 following limited assurance opinions and management concerns in 2020/21. It is noted the Acquisitions and Disposals was given an adequate assurance following new governance being implemented by management and these controls embedding to help manage the high inherent risks. A Limited Assurance has been given with regards Commercial Property work completed by the in-house team, we will monitor and formally follow up the progress to address control weaknesses in this area in 2022/23.

3.10 Analysis of recommendations raised in service focus reviews shows that a significant proportion of recommendations raised relate to organisation controls around record keeping and audit trails, supervision and management information and the need to ensure strategies, policies and procedures are up to date. In addition, the decentralised operations of some corporate systems such as procurement reduce the oversight and compliance of internal controls in the area. As part of producing this annual report, the recommendations falling due in year were followed up and results were satisfactory. Our QAIP in 2020/21 had actions to improve our follow up regime and these efforts have had positive results with far greater implementation rates than in previous years. This is not consistent across the whole council yet, so remains an area of focus in 2022/23. The results of follow up activity completed by both in house and Mazars resources are summarised in Appendix B.

3.11 Actions to enhance the governance framework, as outlined within the 2020/21 Annual Governance Statement included: COVID-19; Acquisitions and Disposal of Property; The safety of two buildings on Broadwater Farm; Ofsted Inspection and the Information Governance framework. Progress to address these has been recognised as part of the process to develop the 2021/22 Annual Governance Statement with the Broadwater Farm issue being closed off. For 2021/22 a new governance issue relating to the insourcing of Homes for Haringey and Health and Safety has been raised.

3.12 I reported in 2019/20 that the control environment in Haringey's schools required improvement. I am pleased to acknowledge since then where we have noted improvement in the assurances provided to schools. No schools in 2021/22 were assigned a "nil" assurance. A programme of follow up for all 2020/21 audits was also completed in 2021/22 by Mazars and outcomes were positive. Some additional follow up work was completed by the in-house team at year end to ensure that all, except one, school had moved into the Adequate Assurance rating level, and it is noted that this audit had been completed late in the year and the recommendations were not yet due, follow up work will be completed promptly in 2022/23. We continue to work closely with other back-office teams supporting schools, the HEP and in conjunction with the School's Forum and Children's Services to assist schools with robust control and risk management. Appendix C provides a summary relating to the schools audit plan, information has also been provided to Senior Management and the Schools Forum. A summary of outcomes for 2021/22 is as follows:

- 13 out of 16 schools completed received "adequate" or above assurance rating;
- 5 schools received the top rating of Substantial Assurance, the highest number ever.
- No schools received a nil rating;
- All schools showed improvements or maintained performance, except for one;
- Two schools that received Limited Assurance in year, including the one school whose assurance has deteriorated, were followed up at year end and had moved into the Adequate Assurance rating. One school audit was late in the year and will be followed up promptly when their recommendations fall due as part of the 2022/23 audit plan;

- Commons themes arising include: Governors DBS evidence, Contract and Procurement non-compliance and lack of evidence of segregation of duties.

4. Internal Audit Coverage and Output

- 4.1 The 2021/22 audit plan was informed by internal audit's own assessment of the Council's key risk areas and discussions with Priority Owners and senior management to ensure that audit resources were aligned to agreed areas of risk. A small contingency was included in the audit plan to ensure any emerging risks during the year could be adequately reviewed.
- 4.2 The approved plan for 2021/22 included 44 audit projects and 15 schools audits, was approved by the Corporate Committee on 10 March 2022. Table 1 below provides the outcome of changes to the plan, details those not undertaken and those added to the plan in year. Overall, a total of 59 assignments were included in the original audit plan, with a contingency provision still available for additional work. A total of 56 assignments were completed to inform the Head of Internal Audit opinion. The outcome of the work, completed by Mazars, and the definitions of assurance levels are detailed in Appendix B.

4.3 Internal Audit Plan– Summary of Outcomes

- 4.4 Due to the amount of 2021/22 audit work still underway when the 2022/23 plan was formulated for approval it was recognised that the audit plan needed to be flexible to deal with changes in risks and assurance needs during the year. The decision to cancel a planned audit was taken by the Head of Internal Audit in consultation with key stakeholders. Changes to the plan were reported to Members in year however Table 1 below contains an outline of all changes to the plan and Table 2 provides a summary of the changes.

4.5 Table 1 – Changes to Plan

Audit Area / Title	Status
Corporate/Cross Cutting Risk Audits	
Business Continuity Planning	Deferred to 2022/23
Arrangements for Strategic and Directorate Planning	Changed to Advisory
Performance Management	Changed to Advisory
Digital Together Programme	Risk Workshops completed
Hospitality and Gifts	Changed to Advisory
ICO Accountability Framework	Added to Plan (Mazars)
Priority 2 People (Children's Services)	
Residential Placements	Deferred to 2022/23
Child Protection Cases	Deferred to 2022/23

Audit Area / Title	Status
Early Help Care Plans	Removed. Alternative assurance available following Joint Area SEND inspection July 21 (Ofsted and CQC). Please note, this area will be reviewed as part of the 2022/23 internal audit plan, so it's classified as deferred.
Elective Home Education	Added to Plan (Mazars).
Mosaic access risks	Added to Plan (In House).
Mosaic task and finish group	Changed to Follow Up
Priority 2 People (Adults and Health)	
Joint Management Arrangements	Risk Work completed.
Transition London Living Wage	Risk level reduced following assurances from the service. Removed.
Appointee ships and Deputyships	Added to Plan (Mazars)
Priority 3 Environment and Neighbourhood	
New Parking System	Deferred to 2022/23
Control and Monitoring of Purchasing Cycle	Removed pending control improvements.
Management and Inspection of Tress	Deferred to 2022/23
Opportunity Investment Fund	Added to plan (in house)
Priority 4 Housing, Regeneration and Planning	
Application review – Tech Forge	Deferred to 2022/23
Commercial Land and Property	Added to Plan (in house)
Station Road	Added to Plan (in house)
Priority 5 Customers, Transformation and Resources	
Local Welfare Assistance	Advisory Work (in house)
Debt Strategy	Advisory Work (in house)
Corporate IT Audits	
Disaster Recovery	Changed to a follow up
IT Procurement Controls	Deferred to 2022/23
Test Phishing Exercise (Cyber)	Added into Cyber audit scope and reported (Mazars)
Infrastructure Resilience	Follow up added to plan (Mazars)

Audit Area / Title	Status
ISO 27001 assurance	Added to plan (in house)
Contract and Procurement Audit	
Management and Control of Contract Register	Removed. Pending control improvements. Will be provision to audit in 2022/23 so classified as deferred.
Risk Based Audits of Key Financial Systems	
Housing Benefits	Deferred as not completed in time for Annual Report.
Business Rates	Deferred as not completed in time for Annual Report.
Central Government Grants Administration	Removed. Alternative sources of assurance available.
School Audits Risk Based Programme	
Earlham	Deferred to 2022/23
Tiverton	Deferred to 2022/23
Park View	Brought forward from 2022/23 (Mazars)
Bruce Grove	Brought forward from 2022/23 (Mazars)
High Gate Wood	Added as it deferred from 2020/21 (Mazars)

Table 2 – Summary of changes to the audit plan.

Plan / Change	Number
Number of audit projects as per the original plan (+)	44
Number of planned schools Audits (+)	15
Total number of assignments (=)	59
Projects added to the plan in year (+)	11
Projects deferred to 2022/23 (-)	13
Cancelled audits (-)	3
Audit replaced with other advisory/risk work (=)	9
Audits changed to follow ups (=)	2
* Audits areas deferred to 2022/23 (=)	11
* Schools deferred to 2022/23 (=)	2
Total number of assignments (=)	54
of which Audit Assignments (inc Follow Up)	33
Advisory	5
Risk Assignments	2
Schools	16
Number completed by Mazars (see app B)	44
of which Audit assignments totalled	24
Schools totalled	16
Advisory totalled	2
Follow Ups	2

- 4.6 Most of the audit work was geared towards providing assurance to management on the adequacy and effectiveness of the Council's internal control environment. This work provided an outcome report with an assurance rating. Other work provided advice and support to management to improve efficiency, or the effectiveness of systems, services or functions; in these cases, an outcome report or assurance rating is not provided.
- 4.7 Due to the delayed start to the plan, work on 2021/22 audits have continued into quarter one 2022/23. This has delayed our start to the 2022/23 and some reports remain in progress so have formally deferred into the 2022/23 audit plan.
- 4.8 I do not consider the exceptions outlined above to have an adverse impact on providing my overall opinion for 2021/22. An analysis of the audit outcomes for work completed by Mazars is included in Appendix B & C.
- 4.9 The audit work where formal assurances were provided are noted in table below:

Audit Title	
Hospitality and Gifts	Advisory work as the control environment / governance is not sufficient to audit. New technologies being implemented to address.
Mosaic tasks and finish group Follow Up	Follow Up work gave an adequate level of assurance with regards progress.
Joint Management Arrangements	Risk meetings with Project Managers, multi-agency risk workshops planned as the project evolves.
Digital Together	Risk Workshops with Project Managers.
Mosaic Access	Advisory work – not complete at year end.
Local Welfare Assistance Scheme	Advisory work with positive assurances provided to Management on the governance and control environment.
Debt Strategy	Advisory work with positive assurances provided to Management on the governance and control environment.
Opportunity Investment Fund	Assurance work providing Substantial Assurance.
Commercial Land and Property	Assurance work providing Limited Assurance.
Station Road	Advisory work because of Management and Member concerns.

5. Annual Internal Audit Report & Opinion Statement 2021/22

Scope of Responsibility

- 5.1 The Council is responsible for ensuring its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty, under the Local Government Act 1999, to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Authority's functions, and which includes arrangements for the management of risk. Specifically, the Council has a statutory responsibility for conducting a review of the effectiveness of the system of internal control on at least an annual basis.
- 5.2 Management is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. The Accounts and Audit Regulations require the Council to review, at least annually, the effectiveness of its system of internal control. Internal audit plays an important role in advising the Council that these arrangements are in place and operating effectively. The Council's response to internal audit activity and recommendations should strengthen the control environment and ultimately contribute to achieving the organisation's objectives.

The Purpose of the System of Internal Control

- 5.3 The Council's system of internal control is designed to manage risk to a reasonable level rather than to completely eliminate the risk of failure to achieve policies, aims and objectives. Consequently, it can only provide a reasonable, and not absolute, assurance of effectiveness.
- 5.4 The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's vision, strategic priorities, policies, aims and objectives. It also is designed to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Annual Opinion Statement on the Effectiveness of the System of Internal Control

- 5.5 The Internal Audit (IA) Plan for 2021/22 was developed primarily to provide Corporate Board and the Corporate Committee with independent assurance on the adequacy and effectiveness of the systems of internal control, including an assessment of the Council's corporate governance arrangements and risk management framework.
- 5.6 The Head of Internal Audit's (HIA) opinion is based primarily on the work carried out by the Council's IA service during 2021/22, as well as a small number of other assurance providers. Where the work of internal audit has identified weaknesses of a systematic nature that impact on the system of internal control, this has been considered in forming the HIA opinion.

Basis of Assurance

- 5.7 All the IA reviews carried out in 2021/22 have been conducted in accordance with the UK PSIAS, based on the annual assessment carried out by Mazars as part of their annual internal peer review challenge.
- 5.8 In line with the UK PSIAS, the Head of Audit and Risk Management is professionally qualified and suitably experienced. The skills mix within the contractor's team has evolved during the year though every single member of the IA team is either fully qualified or actively studying for a relevant professional internal audit or accounting qualification. As a result, the 2021/22 IA resources fulfilled the UK PSIAS requirements in terms of the combination of professionally qualified and suitably experienced staff.

Qualifications to the Opinion

- 5.9 During 2021/22 the Council's IA service:
- had unrestricted access to all areas and systems across the authority;
 - received appropriate co-operation from officers and members; and
 - had sufficient resources to enable it to provide adequate coverage of the authority's control environment to provide the overall opinion. A benchmarking

review of local authorities' internal audit service has revealed Haringey Council has on average fewer internal audit days than other London boroughs. The Head of Audit and Risk Management is continuing to look at how the authority can obtain an adequate level of business assurance. The appointment of the Deputy Head of Audit and Risk Management has increased capacity within internal audit.

Other Assurance Providers

5.10 In formulating the HIA overall opinion on the Council's system of internal control, the Head of Audit and Risk Management has considered the work undertaken by other sources of assurance, and their resulting findings and conclusions. These other assurance providers which included:

- Risks identified on the Directorate Risk Registers;
- The work of Feedback and Information Governance Group;
- The Statutory Officer Group
- The IT Security Group;
- The work of the Health & Safety Group;
- Reports from Government Agencies;
- External Audit Plan and their ISA 260 report.

Significant Internal Control Weaknesses

5.11 Internal audit is required to form an opinion on the quality of the internal control environment, which includes consideration of any significant risk or governance issues and control failures which arise during the year.

5.12 There were several significant internal control weaknesses identified by internal audit during 2021/22. The risks identified from the audit work have been raised with management and work is ongoing to strengthen the Council's control environment in relation to the risks identified.

5.13 For the 12 audits assigned limited or nil assurance by Mazars, it was noted the internal controls had been designed to mitigate risks, though in practice, some of these controls were not operating. Ordinarily, the "second line of defence" alerts management where internal controls are not operating as intended but for a number of audit areas, the second line of defence was not effective in identifying the weakness in the operation of the control. Examples of internal controls in the second line of defence include developing and reporting robust business cases to inform decision making, quality assurance and monitoring arrangements, performance management and key performance indicators, and supervisory controls.

5.14 Senior management have agreed to respond to the significant internal control weaknesses identified for internal audits carried out in 2021/22.

6. Analysis of audit work

6.1 A review of the work of internal audit is summarised in the table below. Please see Appendix B, C and 4.9 above for more information.

6.2 Table 3 analysis of audit outcomes

Assurance Level	2021/22 Reports	2020/21 Reports	2019/20 Reports
Substantial	9 (13.5%)	9 (12.5%)	5 (7%)
Adequate	17 (25.5%)	22 (31%)	28 (42%)
Limited	15 (22%)	13 (18%)	12(18%)
Nil/No	1 (1.5%)	0 (0%)	2 (3%)
Advisory / Risk Work	9 (13.5%)	22 (30.5%)	18 (26%)
Follow Up	3 (4.5%)	-	-
Deferred*	13 (19.5%)	4 (5.5%)	3 (4%)
Total	67	70	68

6.3 Recommendations raised in 2021/22 and Follow Up of 2020/21

6.4 An analysis of the recommendations raised as part of the 2021/22 audits is set out below. The figures are based on 26 assurance reports in 2020/21 and 24 in 2021/22.

6.5 Table 4 - 2020/21 recommendations by priority

Risk	Number of recommendations		Percentage	
	2020/21	2021/22	2020/21	2021/22
Priority 1 – High	14	20	12.5%	16%
Priority 2 – Medium	66	71	59%	57%
Priority 3 - Low	32	33	28.5%	27%
Total	112	124	100%	100%

6.6 All recommendations from 2020/21 were followed up in 2021/22. Directorates maintain their own records of recommendations for monitoring and the enhanced follow regime, implemented as part of our QAIP, has further bedded in during 2021/22. For the detail with regards audit recommendations please see Appendix B. The results of follow up have informed this year's opinion and 2021/22 audit planning. Our area of focus for 2022/23 will be priority one recommendations as although these are often more complex actions to close, they do pertain to the highest risk findings of our work.

7 Consultancy Audits 2020/21

- 7.1 Over the last year, the number of consultancy work, advice and guidance has been maintained, however since COVID-19 these requests increasingly are for the Head or Deputy Head of Audit to engage in a process design or workstream rather than a defined audit assignment. The trend for continued support and advice is likely to continue into 2022/23. In 2020/21 the Mazars team reconfigured to provide strengthened specialist input into areas such as: IT, Project Management; Housing and Schools. The Mazars team also have a wide range of other specialist resources that can be called on via our current contract as needed. For 2022/23 additional Management capacity has been introduced in Mazars to enable more focus on the Housing Risk Areas and to address delays in delivery noted in 2021/22.

8 Quality Assurance and Improvement Programme

- 8.1 The Public Sector Internal Audit Standards' (PSIAS) set out the need for internal audit to develop a quality assurance and improvement programme (QAIP) which seeks to ensure the internal audit service conforms to the PSIAS and provides a means of maintaining continuous improvement.
- 8.2 The areas for development for Internal Audit on the QAIP for 2022/23 will be presented in a formal report to Senior Management and Members following our recent External Quality Assessment.



Appendix B

London Borough of Haringey Mazars 2021/22 Summary Appendix

Prepared by: Mazars LLP
Date: July 2022

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Contents

- 01 Summary of 2021/22 Internal Audit Activity
- 02 Benchmarking
- 03 Follow Up on 2020/21 Audits

Disclaimer

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Haringey and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the London Borough of Haringey and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in this report for further information about responsibilities, limitations and confidentiality.





01 Summary of the 2021/22 Internal Audit Plan

The table below lists the 2021/22 Internal Audit Plan and a status summary for all the reviews undertaken by Mazars.

Audit	Days	Date of Final Report	Assurance Level	Direction of Travel	Total	Findings by Priority		
						1	2	3
Performance Indicators (Veolia)		July 2022	Substantial	N/A	2	-	-	2
Housing Development Programme		July 2022	Substantial	➡	1	-	1	-
Looked after Children (LAC)		July 2022	Substantial	N/A	1	-	-	1
IT Capability Management		November 2021	Adequate	N/A	7	-	4	3
Acquisitions and Disposal of Assets		Draft Report	Adequate	➡	2	-	2	-
Accounts Receivable		February 2022	Adequate	⬅	6	-	3	3
Accounts Payable (Creditors)		July 2022	Adequate	⬅	2	1	-	1
Capital Schemes		July 2022	Adequate	↔	5	-	3	2
Allegations against Professionals (LADO)		Draft Report	Adequate	N/A	5	-	4	1
Direct Payments		June 2022	Adequate	↔	5	-	2	3
Appointeeships and Deputyships		April 2022	Adequate	N/A	2	-	1	1
Accounting and General Ledger		Draft Report	Adequate	⬅	2	-	1	1
Deprivation of Liberty		Draft Report	Limited	↔	2	2	-	-
The Use and Control of CCTV		Draft Report	Limited	N/A	4	2	2	-



01 Summary of the 2021/22 Internal Audit Plan (cont)

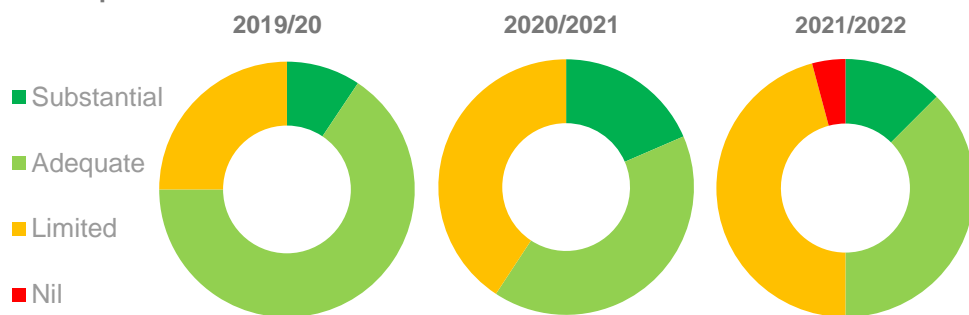
Audit	Days	Date of Final Report	Assurance Level	Direction of Travel	Total	Findings by Priority		
						1	2	3
Building Compliance (Corporate and Schools)		March 2022	Limited	N/A	8	4	2	2
ICO Accountability Framework		April 2021	Limited	N/A	13	1	8	4
Cyber Security		June 2022	Limited	↔	15	2	11	2
Payroll		January 2022	Limited	↔	4	2	2	-
Contract Management		July 2022	Limited	←	4	1	2	1
Elective Home Education		March 2022	Limited	N/A	7	1	6	-
Mental Health Assessments		July 2022	Limited	N/A	5	1	3	1
Recruitment (Temporary Agency Workers)		Draft Report	Limited	N/A	7	1	4	2
Council Tax		Draft Report	Limited	←	3	1	2	-
New River Leisure Centre		July 2022	Nil	N/A	1	1	-	-
Performance Management (Corporate and Directorate)		Draft Report	Advisory	N/A	7	-	4	3
Strategic and Directorate Planning		Draft Report	Advisory	N/A	4	-	4	-
IT Infrastructure Resilience Follow Up		June 2022			N/A			
IT Disaster Recovery Follow Up		June 2022			N/A			
				Total	124	20	71	33



02 Benchmarking

This section compares the Assurance Levels and categorisation of recommendations made in the audits in 2019/20, 2020/21 and 2021/22.

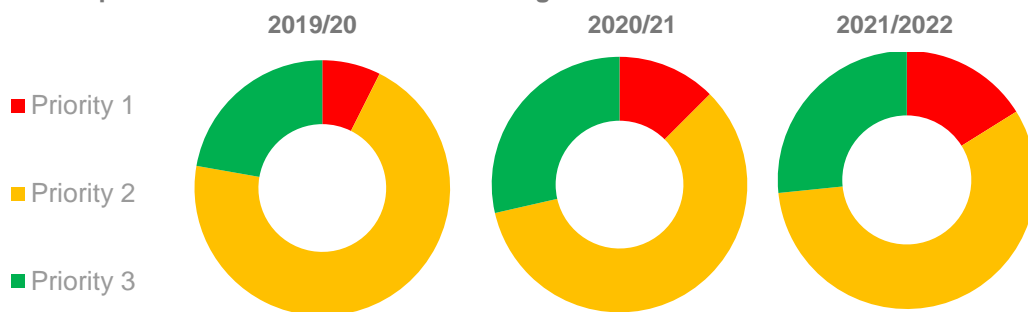
Comparison of Assurance Levels



Of the 24 completed audits in 2021/22, where an assurance rating was given. Three audits received 'Substantial' assurance, nine received 'Adequate' assurance, 11 received 'Limited' assurance and one received 'Nil' assurance. We also completed two advisory reviews.

In 2020/21, 27 audits providing assurance were completed. Of the 27, five received 'Substantial' assurance, 11 received 'Adequate' assurance and 11 received 'Limited' assurance.

Comparison of Recommendation Gradings



The total number of recommendations made in the year was 124. This represents an increase of 12 from the prior year (112).

The proportion of Priority 1 recommendations has increased from 12% to 16% of total recommendations raised.



03 Follow-up on 2020/21 Audits

During the year we have assessed the implementation of recommendations raised in 2020/21. A summary of the results of the follow up work are included below.

Follow up of 2020/21 audits	Assurance	Recommendations raised				Recommendations Implemented (Impl)				Partly Impl.	Not Impl.	Not yet due	Propose to Close
		1	2	3	Total	1	2	3	Total				
No Recourse to Public Funds	Substantial	-	1	1	2	-	1	1	2	-	-	-	-
Adaptations	Substantial	-	-	2	2	-	-	1	1	1	-	-	-
Pest Control Fees and Charges	Substantial	-	1	2	3	-	1	1	2	1	-	-	-
Accounting for Pay and Display Income	Substantial	-	-	6	6	-	-	-	-	-	6	-	-
Accounts Payable	Substantial	-	-	1	1	-	-	-	-	-	-	-	1
Buyback of Right to Buy (RtB)	Adequate	-	2	2	4	-	2	2	4	-	-	-	-
Community Infrastructure Levy (CIL)	Adequate	-	1	2	3	-	1	2	3	-	-	-	-
Insourcing	Adequate	-	3	-	3	-	2	-	2	-	-	-	1
Capital Schemes	Adequate	-	3	1	4	-	1	-	1	-	-	-	3
London Construction Programme	Adequate	-	2	2	4	-	1	2	3	-	-	1	-
Risk Based Verification	Adequate	-	1	-	1	-	1	-	1	-	-	-	-
IT Infrastructure Resilience	Adequate	-	3	1	4	-	3	1	4	-	-	-	-
Revenue Assurance	Adequate	-	1	-	1	-	1	-	1	-	-	-	-



03 Follow-up on 2020/21 Audits (continued)

Follow up of 2020/21 audits	Assurance	Recommendations raised				Recommendations Implemented (Impl)				Partly Impl.	Not Impl.	Not yet due	Propose to Close
		1	2	3	Total	1	2	3	Total				
		Total	Total	Total	Total	Total							
Administration of Concessionary Travel	Adequate	-	1	1	2	-	1	1	2	-	-	-	-
Management and Control of Carers Service	Adequate	-	3	1	4	-	-	-	-	-	4	-	-
Quality of Practice	Adequate	-	3	1	4	-	2	-	2	-	1	1	-
Brokerage (Adults)	Limited	-	5	1	6	-	4	-	4	1	-	-	1
Brokerage (Childrens)	Limited	1	2	-	3	-	1	-	1	2	-	-	-
IT Disaster Recovery	Limited	-	4	-	4	-	-	-	-	3	1	-	-
Declarations of Interest	Limited	1	2	3	6	-	-	1	1	2	2	-	1
Arrangements for Letting Contracts	Limited	2	4	-	6	-	-	-	-	-	6*	-	-
Contract Management of Contracts	Limited	1	5	-	6	-	-	-	-	-	6*	-	-
Purchase Cards	Limited	1	4	-	5	-	1	-	1	1	2	-	1
Management of Cyber Risks	Limited	2	8	3	13	-	1	-	1	-	-	-	12**
Contract Waivers	Limited	3	2	-	5	-	-	-	-	-	5*	-	-
Health and Safety	Limited	1	4	-	5	-	2	1	3	2	-	-	-
Safeguarding	Limited	2	1	2	5	1	1	1	3	2	-	-	-
Overall Total		14	66	32	112	1	27	14	42	15	33	2	20

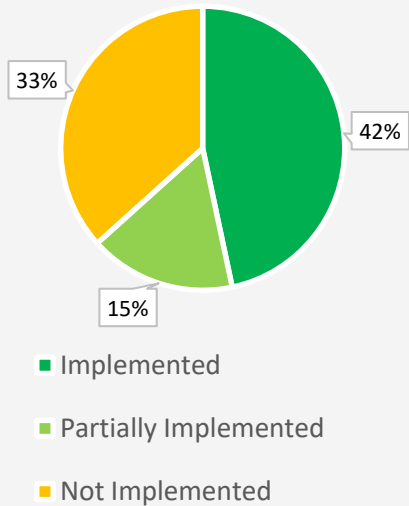
* The three contract audits were planned to be followed up in 2021/22, however, we were informed that progress with the new technologies had not been made.

** In relation to the 2020/21 Management of Cyber Risks audit, a new Cyber Security audit was completed as part of the 2021/22 audit plan. The new recommendations have replaced those raised in the 2020/21 audit which have therefore been closed.

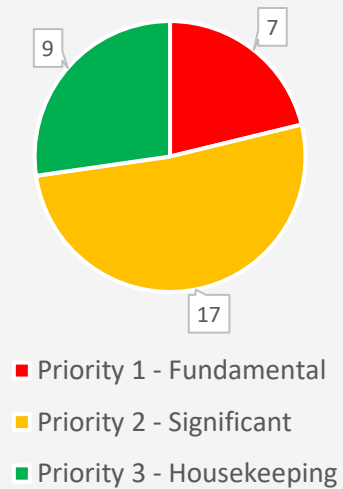


03 Follow-up on 2020/21 Audits (continued)

Analysis of follow up



Priority of recommendations not implemented



We take responsibility to the London Borough of Haringey for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or reply for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation amendment and/or modification by any third party is entirely at their own risk.

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Appendix C

London Borough of Haringey Schools Audits - Mazars 2021/22 Summary Appendix

Prepared by: Mazars LLP
Date: 31 May 2022

mazars

Contents

- 01 Schools Internal Audit Activity
- 02 Summary of the 2021/22 Internal Audit Plan
- 03 Benchmarking
- 04 Overall Assessment of Control and Recommendations raised
- 05 Follow Up on 2020/21 School Audits

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01 Schools Internal Audit Activity 2021/22

Below is a snapshot of the work we have carried out in relation to schools during 2021/22.

Improved communication

Following the updates to our audit programme during 2020/21, we have continued to liaise with different areas of the council, as well as other partners in relation to school requirements:

- Finance /HR
- One to one briefings with School Business Managers as required.

Audit Satisfaction Surveys

We have issued satisfaction surveys along with every final report. Although the response rate has been lower than the previous year, where we have had responses they have been 'Good' or 'Very Good'.

A refreshed audit programme ready for 2022/23

- Following the recent changes to the areas covered within the Schools Financial Value Standard (SFVS) we have updated our programme to reflect this.

Common themes arising

We will compile a detailed newsletter setting out all the findings from the 2021/22 audits, as we did for 2020/21 but the most common themes continue to be:

- Governors not providing evidence of their DBS certificate, particularly where the previous certificate requires an update.
- Contracts have been rolled over for a number of years, and spend on them exceeds the thresholds for going out to tender.
- Evidence not retained to clearly show that reconciliations are prepared by one officer, and then reviewed by a second independent officer.





02 Summary of the 2021/22 Internal Audit Plan

The table below lists the 2021/22 Internal Audit Plan and a status summary for all of the reviews.

Audit	Days	Assurance Level	Direction of Travel	Total	Findings by Priority		
					1	2	3
Alexandra Primary	5	Substantial	➡	1	-	1	-
St James CE Primary School	5	Substantial	➡	-	-	-	-
Rhodes Avenue Primary School	5	Substantial	➡	2	-	1	1
St Mary's CE Primary School	5	Substantial	➡	4	-	1	3
Fortismere Secondary School	5	Substantial	➡	3	-	1	2
Hornsey School for Girls	5	Adequate	↔	7	-	3	4
Mulberry Primary School	5	Adequate	↔	4	-	2	2
Risley Avenue Primary School	5	Adequate	➡	5	-	2	3



Summary of the 2021/22 Internal Audit Plan (cont)

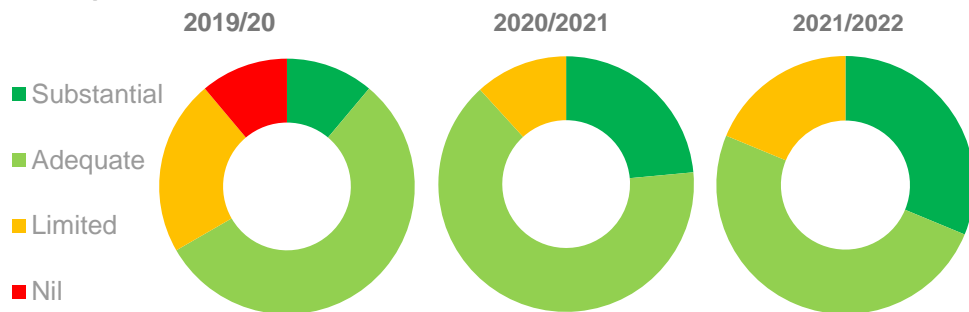
Audit	Days	Assurance Level	Direction of Travel	Total	Findings by Priority		
					1	2	3
St Paul's RC Primary School	5	Adequate		5	-	5	-
Bruce Grove Primary School	5	Adequate		7	-	2	5
Rowland Hill Nursery	5	Adequate		5	1	3	1
St Martin of Porres Catholic Primary	5	Adequate		7	-	4	3
Coldfall Primary School	5	Adequate		7	-	3	4
Highgate Wood School	5	Limited		8	1	6	1
Park View School	5	Limited		13	1	4	8
Chestnuts Primary School	5	Limited		10	1	6	3
Totals				88	4	44	40



03 Benchmarking

This section compares the Assurance Levels and categorisation of recommendations made in the schools audits in 2020/21 and 2021/22.

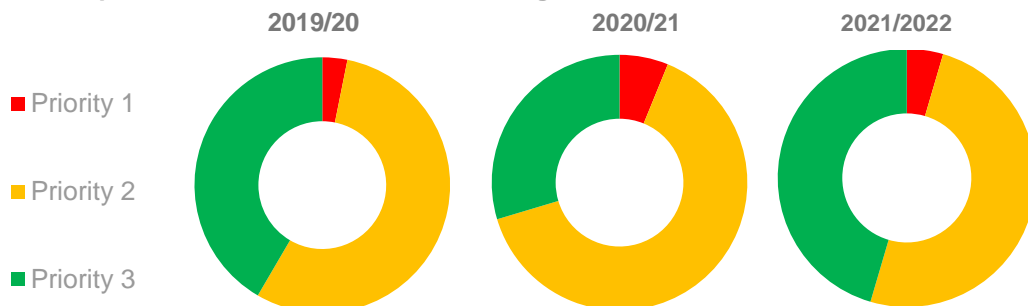
Comparison of Assurance Levels



Of the 16 completed audits in 2021/22, 5 received 'Substantial' assurance, 8 received 'Adequate' assurance, and 3 received 'Limited' assurance.

In 2020/2021, 17 audits providing overall assurance were completed. Of the 16, 4 received 'Substantial' assurance, 11 received 'Adequate' assurance and 2 received 'Limited' assurance.

Comparison of Recommendation Gradings



The total number of recommendations made in the year was 88. This represents an increase of 7 from the prior year (81). The proportion of Priority 1 recommendations has decreased from 6% to 5% of total recommendations raised.

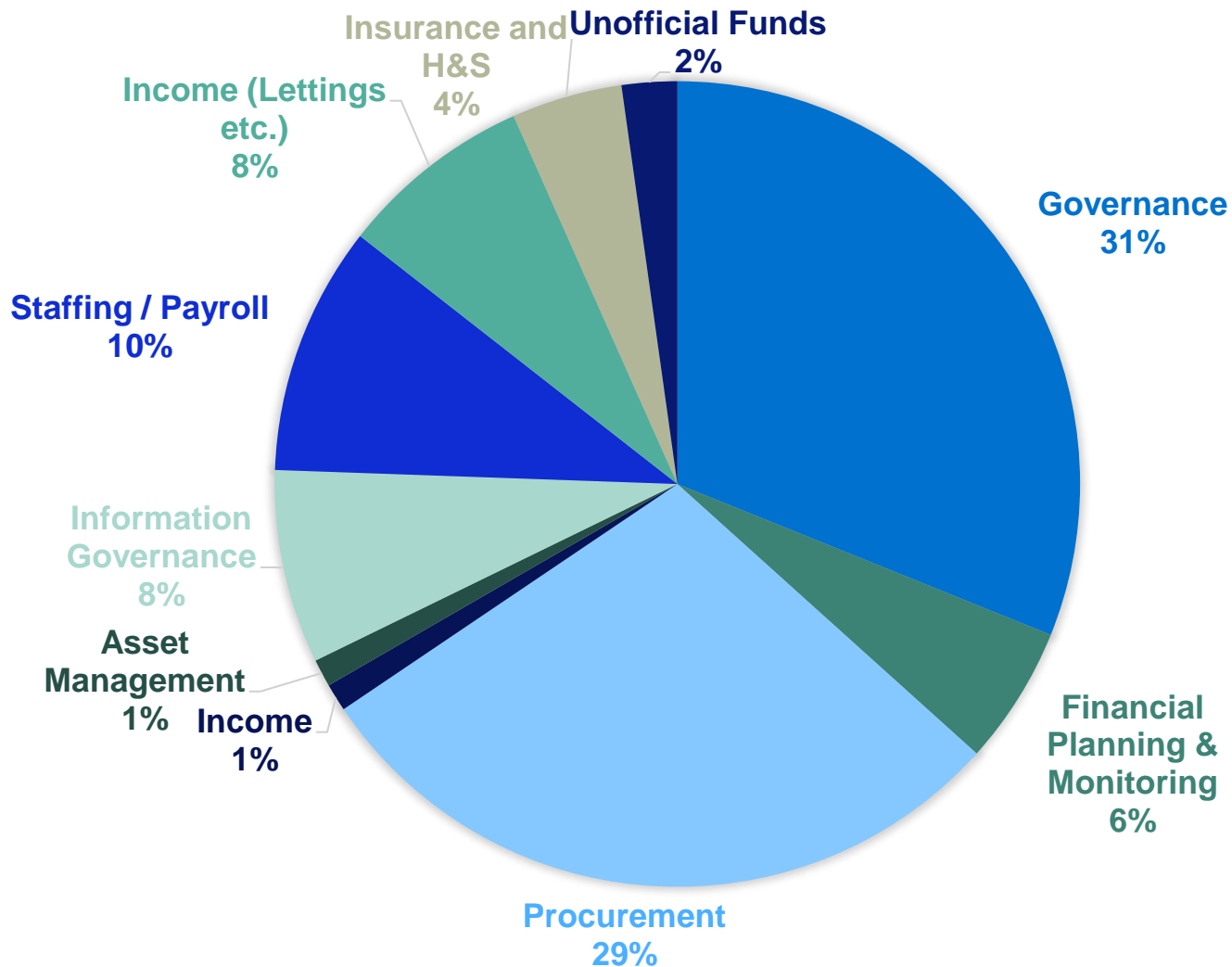


04 Overall Assessment of Control and Recommendations Raised

Area of Scope	Total	Recommendations Raised		
		1	2	3
Governance		1	11	14
Financial Planning and Monitoring		-	1	4
Procurement		2	18	6
Income		-		1
Asset Management		-	1	
Information Governance		1	2	4
Staffing / Payroll		-	6	3
Income (Lettings, Breakfast and After School Clubs, School Meals Arrears)		-	3	4
Insurance and Health & Safety		-	1	3
Unofficial Funds		-	1	1
Totals		4	44	40



04 Overall Assessment of Control and Recommendations Raised



05 Follow-up on 2020/21 School Audits

Follow up of 2020/21 audits	Assurance	Recommendations raised				Total	Recommendations Implemented (Impl)			Total	Partly Impl.	Not Impl.	Total
		1	2	3	Total		1	2	3				
Belmont Junior	Adequate	0	5	3	8	0	5	3	8	0	0	0	
Campsbourne School	Substantial	0	1	1	2	0	1	1	2	0	0	0	
Crowland Primary School	Adequate	0	4	3	7	0	2	3	5	1	1	2	
Ferry Lane Primary	Adequate	0	3	2	5	0	3	2	5	0	0	0	
Lancasterian Primary School	Adequate	0	3	0	3	0	3	0	3	0	0	0	
Lea Valley Primary	Limited	2	5	4	11	2	4	4	10	0	1	1	
North Haringey Primary	Substantial	0	1	0	1	0	1	0	1	0	0	0	
Our Lady of Muswell Catholic Primary School	Substantial	0	0	1	1	0	0	1	1	0	0	0	
Riverside School	Adequate	0	3	1	4	0	3	1	4	0	0	0	
Rokesly Infant & Nursery School	Adequate	1	2	1	4	1	2	1	4	0	0	0	
Rokesly Junior	Adequate	0	3	1	4	0	3	1	4	0	0	0	
St Peter in Chains RC Infant School	Adequate	0	3	3	6	0	3	3	6	0	0	0	
Stroud Green	Limited	2	8	0	10	1	2	0	3	3	4	7	
Tetherdown Primary School	Substantial	0	1	0	1	0	1	0	1	0	0	0	
Welbourne Primary School	Adequate	0	4	2	6	0	4	2	6	0	0	0	
West Green Primary School	Adequate	0	4	1	5	0	2	1	3	2	0	2	
Woodlands Park Nursery	Adequate	0	2	1	3	0	2	1	3	0	0	0	
Overall Total		5	52	24	81	4	41	24	69	6	6	12	

We take responsibility to the London Borough of Haringey for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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Appendix D - Anti-fraud



2021/22

Anti-Fraud 2021/22

Introduction

Haringey Council is committed to ensuring the highest possible standards are maintained by its employees, contractors and residents. Fraud and corruption can impact on the public's confidence in the Council and its reputation in the long term as well as placing unnecessary additional burden on the public purse. Anti-fraud policies and strategies are in place to detect and prevent fraud and a corporate team of investigators within the Audit and Risk service is managed by the Deputy Head of Audit and Risk Management.

2021/22 saw a move back towards business as usual for the team, following over a year of disruption. Our new case management system procured in 2021 has been further embedded and we continue to look for technological ways to achieve our objectives using data and benefitting from more informed trend and case data. Pilot proactive fraud projects have been run using the new technology in the areas of Single Person Discount, Direct Payments and Parking Permits. We will build on these efforts in 2022/23 to work corporately and with specific services to help manage the fraud risks.

Due to COVID-19 the team's time spent on fraud prevention checks, for services, has greatly increased this and periods without being able to visit and/or interview has impacted achievement of our key performance indications. Having reflected on this Housing Tenancy Fraud will be our priority fraud area for 2022/23 using a combination of data matching and proactive tenancy visits to identify fraud.

The purpose of this document is to outline the activities of the team that have been considered when forming the Head of Internal Audit Opinion, it also seeks to ensure that in accordance with Part 2 of the Local Government Transparency Code 2015, the council has published information on the cost of its anti-fraud work and the outcomes achieved. The teams performance is reported quarterly to the Council's Corporate Committee during the year.

Transparency Code 2015 requirements

Requirement	2019/20	2020/21	2021/22
Allocated budget for anti-fraud work	£606k	£564k	£556k
Number of staff (absolute and FTE) undertaking anti-fraud work	7.5 staff: 7.25 FTE	9 staff: 7 FTE	8 staff: 6.5 FTE
Number of staff of professionally accredited anti-fraud specialists	5 Staff	6 Staff	6 Staff
Total amount of time spent on the investigation and prosecution of fraud	1,279 days	1,235 days	1,135 days
Total number of fraud cases investigated	795 (223 reactive cases)	2,899 (125 reactive cases)	1,287 (165 reactive cases)
Number of occasions powers under the Prevention of Social Housing Fraud Regulations have been used	107	25	34

Transparency Code 2015 requirements

Type of Activity	2019/20	2020/21	2021/22
Tenancy Fraud	204	111	211
Employee Fraud / Whistleblowing Cases	18	13	6
Non Employee Fraud/ Whistleblowing Cases	1	2	0
Right to Buy applications	238	221	297
Proactive Tenancy Checks/Visits	204	0	211
Gas Safety Proactive Tenancy Visits	101	0	65
No Recourse to Public Funds financial checks	29	53	47
Business Grant pre payment checks	0	>2500	450
TOTALS	795	2,890	1,287

Anti-Fraud Outcomes 2021/22

Tenancy Fraud

The tables on the next slide contains information regarding caseload. There are two housing fraud cases being prosecuted at the end of 2021/22. One defendant has pleaded guilty before trial but awaits sentencing.

In 2021/22 28 council stock properties had been recovered through the actions and investigations of the Fraud Team; £504k can be attributed to the recovery, or cessation, of fraudulent council and temporary accommodation tenancies. This compares to 21 in 2020/21.

In 2021/22 there were 211 referrals to the anti fraud team. This is consistent with prior years. The sources of referrals include: general public, members, council officers, other councils or government agencies, National Fraud Initiative and our own proactive activities/campaigns to identify fraud.

Within these referrals are proactive fraud checks to prevent fraud occurring in the succession and grant of tenancy processes. These are high inherent fraud risk areas for the council.

The team work closely with officers in Housing via an officer seconded to work alongside the fraud team part time each week. The restructuring of the Tenancy Management Team did impact work in 2021/22. New officers to the team will be trained and review of processes between teams will also take place in 2022.

The workplan for 2021/22 is to focus on Tenancy Fraud and will include proactive tenancy fraud activity and this will be supplemented by the use of data matching and intelligence from the National Fraud Initiative.

Tenancy Fraud 2021/22

	Open	Closed
Brought Forward at year start	187	
New referrals in year	211	
TOTAL OPEN	398	
Cases closed - no fraud		161
Cases closed - property recovered		28
TOTAL at year end	209	

Anti-Fraud Activity & Outcomes 2021/22

Employee and Non Employee Fraud and Whistleblowing cases

The Head of Audit and Risk Management maintains the central record of referrals made using the Council's whistleblowing policy. In total, six whistleblowing referrals were made during 2021/22, compared to 13 in the prior year. All six were employee related, although one included allegations against a service provider.

Whistleblowing referral numbers can fluctuate year on year. It is noted, we reported last year, that some of the 13 referrals received in 2020/21 related to accusations that had previously been investigated and therefore the referral was immediately closed.

All referrals made using the whistleblowing policy are reviewed and subsequent investigations are managed according to all relevant statutory requirements, including Data Protection, Regulation of Investigatory Powers and Police and Criminal Evidence Acts. In some cases, the limited amount of information provided means a full investigation cannot be undertaken. The management of the Audit and Risk service undertakes an initial review of the information before agreeing an approach with HR and service management. Any allegations relating to financial issues are investigated by the Fraud Team.

In 2021/22, five of the referrals were investigated and closed at year end, the remaining two remain open. One case is with Management and the other Audit & Risk. The Head of Internal Audit and Risk gathers outcomes for information on all cases referred on. For the complete investigations, where applicable, management actions were identified and updates are discussed periodically.

Anti-Fraud Activity & Outcomes 2021/22

Employee and Non Employee Fraud and Whistleblowing cases

Where the allegation relates to a breach of a council policy and the investigation falls under the disciplinary policy, the severity of the breach is considered and where appropriate the team is deployed to work with the relevant stakeholders, usually the service management and human resources, to ensure the relevant policy is followed; all available evidence is gathered effectively and secured and the appropriate action is taken. Part of this work is to reflect on the control environment and ensure controls are in place to prevent similar occurrences in future.

As a result of the five cases completed by the team management actions were agreed to strengthen control environment and for one a standard setting meeting was held with the service provider.

The Fraud Team work closely with officers from HR and the service area involved to ensure that the investigation is completed as quickly as possible. The Fraud Team have been set a target to complete investigations within eight weeks of the referral from 2019/20 and this will continue to be monitored. It is anticipated most cases will be completed in this period although cases can and do take longer to go through the disciplinary process and reach a conclusion.

Fraud Reporting

The team monitor reports of fraud received by the council from the residents of the Borough, many of the reports relate to services and Housing Benefit fraud so these are assessed and signposted on as appropriate. This mechanism although currently resource intensive to administer does generate some good referrals for the team.

Anti-Fraud Activity & Outcomes 2021/22

Right to Buy Applications

In 2021/22, 52 applications have been withdrawn or refused either following investigations and/or failing to complete money laundering processes. This compares to 69 in 2020/21. The drop in outcomes is in part due to a change in process, in year, delaying the date at which we legally have closed the application. The target each year is 80. Equivalent of one full time investigator undertakes this work. Overall, the 52 RTB applications withdrawn or refused represent over £5.5m in potential RTB discounts; and means the properties are retained for social housing use.

There has been an increase in live applications in 2021/22 this is due to delays in the earlier stages of the process due to Covid-19 and a shortage of resources to value properties. The applicants are not financially impacted by delays in valuation. At year end circa 110 applications were at the money laundering stage of the process. This activity also can identify Housing Tenancy Fraud for us or affecting other local authorities and Housing Benefit overpayments.

No Recourse to Public Funds

As at 31 March 2022, 47 referrals have been received and responded to by the Fraud Team through the financial year. Referrals are received where the NRPF team has suspicion of fraud and needs to obtain assurance. The average cost of NRPF support per family (accommodation and subsistence for a 2 child household) is around £20,000 pa so fraud prevention, whilst ensuring the service supports those genuinely in need is essential. Referrals from the NRPF were consistent with the prior year but significantly higher than the pre covid years. The fraud team provide the intelligence to the NRPFs team to enable them to make their decision with regards entitlement in line with legislation, we have no other role in these cases.

Anti-Fraud Activity & Outcomes 2021/22

Single Person Discount (SPD)

In December 2021 the National Fraud Initiative undertook a data match of our electoral role and council tax data. The analysis showed a great number of discrepancies between these data sets. The Fraud team have undertaken a small proactive exercise to analyse the results and were able to identify from a sample the match data £20k of SPD that needed to be removed. These are not fraud cases as there is no regime to review or ask residents to redeclare their status and in many cases the council had been told of the households change in circumstances. This information however has been passed to the council tax team and they will review and remove the SPDs. The fraud team have been mindful of the current cost of living crisis and increasing household debts when selecting the SPDs for removal. Once this outcome from this pilot project has been assessed further work will be completed to try to generate more much needed income for the Council.

Covid Business Grants

In 2020/21 the fraud team undertook over 2,500 pre payment checks as part of the Covid Business Grant project, to help the project team ensure that for the grants we were administering on behalf of central government we were confident that the recipient of the grant was the eligible party.

This work continued into 2022/23 but since the grant schemes have closed our work has shifted to post event assurance work, as required by the Department of Business Energy and Industrial Strategy (BEIS), ensuring that any errors or frauds identified within the schemes have been dealt with appropriately and providing evidence of our adherence to the grant conditions to BEIS. These schemes were complex in nature for both us and the businesses of the Borough. Due to the efforts of all involved in the project the level of error and successful fraud has been very low. Currently we are working to recover £100k relating to error and are investigating only £150k of fraud.

Anti-Fraud Activity & Outcomes 2021/22

Direct Payments

Positive results were achieved when adult direct payment data was matched and analysed. Although there were six fraud red flags that required further investigation. None resulted in fraud cases.

Parking Data

In 2021/22 a pilot project to see how resident parking data could help to identify fraud was undertaken. A snapshot of data at October 2021 showed us.

- 46 potential SPD fraud issues;
- 42 potential benefit fraud issues;
- 34 likely Council Tax rating issues;
- 13 cases where permit type should have been a commercial one;
- 10 permits issued where the applicant vacated the premises before the application was made;
- 312 where we are unable to identify the address they are linked to.

We will work with the service to understand the root cause of any issues with permit processing and with other services with regards what the intelligence has shown us. We have requested access to the parking data to enable future projects to be completed and for us to develop the use of technologies. This work will seek to identify better controls for the future.

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Annual Report – Appendix Ec

Appendix B - Anti-fraud



Homes for Haringey

2021/22

Anti-Fraud outcomes 2021/22

Introduction

The activity of the year's work, on behalf of Homes for Haringey, is reported to the Audit & Risk Committee on a quarterly basis. This Appendix, provides a short summary of the activity and the outcomes that are relevant to the Head of Internal Audit Opinion.

The Council's Audit & Risk Team has 6 investigators who work closely with teams in Homes for Haringey on a range of fraud prevention and detection activities. A officer from the tenancy team is seconded part time into the fraud team to ensure strong working relationships exist. Tenancy Fraud and Right to Buy are two key areas of work in the Council's Fraud Strategy.

The Deputy Head of Audit & Risk manages the day to day operations relating to fraud. During 2021/22 we have embedded our new fraud case management system which has greatly assist in the monitoring and reporting of fraud cases and will enable us to fulfil our service improvement plan going forward.

Tenancy-fraud outcomes 2021/22

Tenancy Fraud Investigations

The tables on the next slide contains information regarding caseload.

In 2021/22 **28** council stock properties had been recovered through the actions and investigations of the Fraud Team; therefore **£504k** can be attributed to the recovery, or cessation, of fraudulent council and temporary accommodation tenancies. This compares to **56** in 2019/20 and **21** in 2020/21.

In 2021/22 there were 211 referrals to the anti fraud team. This compares to a year to date figure of 2019/20 of 204 and 111 in 2020/21.

One of the team's prosecutions cases, after significant delays due to court closures during covid, reached trial date in March. The defendant pleaded guilty and will sentenced in October 2022.

Tenancy fraud outcomes 2021/22

Referrals received and outcomes		
Brought forward from 2020/21	187	
New referrals in year	211	
Total referrals for investigation		398
Properties recovered		28
Cases Closed - No fraud identified		161
Ongoing Investigations at year end		209

Other fraud outcomes 2021/22

Right to Buy (RTB) Investigations

In 2021/22 **52** applications have been withdrawn or refused either following investigations and/or failing to complete money laundering processes. This compares to **90** for 2019/20 and **69** in 2020/21.

Overall, the **52** RTB applications withdrawn or refused represent **over £5.5m** in potential RTB discounts; and means the properties are retained for social housing use.

Employee related and Whistleblowing

During 2021/22 there were three referrals, accepted by the Audit & Risk team, relating to staff in Homes for Haringey made under the Whistleblowing Policy. These cases are all closed at year end.

One 2019/20 case remains on-going and we are working with the police.

Service Development for 2022/23

Pro Active Projects

Now that the new structure in Tenancy Management is bedded in and covid restrictions have been lifted the fraud team plans to team up with Tenancy Officers to undertake risk based proactive exercises in the borough.

Training

Officers new to the Tenancy Management Team will receive fraud training and awareness sessions.

Data Matching

The team plans to use technology and available data sets (both internal and external) to proactively identify fraud cases for investigation and more efficiently gather assurances generally regarding fraud risk levels.

Mortality Screening

We have signed up to be part of a trial project with our software providers which will notify us of service users deaths with the aim of streamlining processes.



Appendix EB

Homes for Haringey Mazars 2021/22 Summary

Prepared by: Mazars LLP
Date: April 2022

mazars

Contents

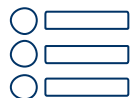
01 Summary of the 2021/22 Internal Audit Plan

Disclaimer

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Haringey and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the London Borough of Haringey and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in this report for further information about responsibilities, limitations and confidentiality.





01 Summary of the 2021/22 Internal Audit Plan

The table below lists the 2021/22 Internal Audit Plan and a status summary for all of the reviews.

Fieldwork commencing	Audit	Days	Status	Assurance Level	Total	Findings by Priority		
						1	2	3
June 2021	Declarations of Interest	7	Final report	Nil	7	2	4	1
July 2021	Complaints	7	Final report	Limited	8	-	6	2
August 2021	Facilities Management	10	Final report	Limited	6	-	5	1
October 2021	Northgate Implementation Review	25	Final report	Advisory	10	4	5	1
November 2021	Follow Up	10	Complete	Not applicable	-	-	-	-
December 2021	Responsive Repairs	10	Final report	Limited	7	-	6	1
December 2021	Statutory Property Compliance	10	Final report	Limited	9	3	6	-
February 2022	Housing Rents	10	Final report	Adequate	5	1	2	2
February 2022	Tenancy Management	10	Final report	Adequate	3	1	2	-
	Totals				55	11	36	8

We take responsibility to the London Borough of Haringey for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

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Annual Report – Appendix Ec

Head of Audit Annual Report



Homes for Haringey

2021/22

Introduction

Purpose of this report

This report, and its appendices summarise the work of Internal Audit during the financial year 2021/22 and the main findings arising from our internal audit work can be found at Appendix A. Details of the anti-fraud work completed in 2021/22 which also supports the opinion is outline at Appendix B.

Overview of Internal Audit approach

Internal Audit's role is to provide assurance on the adequacy and effectiveness of Homes for Haringey's systems of governance, risk management and control.

Service Improvement 2021/22

We have embedded a new approach to follow up in 2021/22 to strengthen the timeliness of assurances available to management and the Audit and Risk Committee.

Introduction cont...

Provision of Internal Audit Services

The internal audit service for Homes for Haringey (HfH) is provided by Mazars Public Sector Internal Audit Limited (Mazars) and the Haringey Council Anti-Fraud Team, under an agreed SLA. The work delivered by Mazars forms part of Haringey Council’s contract with the London audit and anti-fraud partnership framework agreement. The Council has entered into a contract to 31 March 2024, in accordance with EU regulations.

We have completed our work for 2021/22 and present this Annual Report to the Audit and Risk Committee. We have conducted our audits in accordance with the mandatory requirements of the 2017 UK Public Sector Internal Audit Standards (PSIAS).

Public Sector Internal Audit Standards – external assessment

In 2021/22 the Audit Service has been independently reviewed for compliance with the Public Sector Internal Audit Standards. An external review every five years is required. The review has confirmed out compliance with the Public Sector Internal Audit Standards. Th assessor has indicated two minor recommendations for improvement to be raised and these will be added to our existing quality improvement plan.

We would like to take this opportunity to thank HfH’s management and staff for their assistance during the year.

Internal Audit – terms of reference

Role of Internal Audit

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve HfH’s operations. Internal Audit helps HfH accomplish its objectives by bringing a systematic approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Independence of Internal Audit

The main determinant of the effectiveness of Internal Audit is that it is seen to be independent. To ensure this, Internal Audit operates within a framework that allows:

- a) Unrestricted access to senior management;
- b) Reporting in its own name; and
- c) Segregation from frontline and other operational functions.

The existence of Internal Audit does not reduce the responsibility of management to establish systems of internal control to ensure that activities are conducted in a secure, efficient and well ordered manner.

Scope of Internal Audit

The scope of internal audit allows for unrestricted coverage of HfH’s activities and unrestricted access to all records and assets deemed necessary in the course of an audit. In addition, Internal Audit have unrestricted access to:

- The Board and the Audit and Risk Committee;
- HfH’s Managing Director, Executive Directors and Managers; and
- All other HfH employees.

Overview of 2021/22

The Strategic Planning for 2021/22 was undertaken by the Council's Head of Audit & Risk Management and the Deputy Head of Audit & Risk Management with consultation with Mazars, Homes for Haringey Director of Governance and the Executive Leadership Team. The Audit Plan was approved by the Audit & Risk Committee who received quarterly updates regarding progress to deliver the plan, outcomes of audits and any changes to planned work proposed, during the year. The plan was reviewed in light of the Covid-19 pandemic as was the method of delivering the service in year.

As was reported in 2020/21 our audit plan continues to focus into areas of higher residual risk or where management have identified it as an area of concern or where an independent perspective on risk and control would be valuable. This is not a new approach but has again lead to slightly more negative audit assurances in the period.

Mazars have provided an summary outline within the Appendix to this report of the work delivered in year. All information contained within this report has been presented at the quarterly Committee meetings with the exception of four audits, which will be presented along side this Annual Report at the Committee's final meeting.

Along with the audit findings and assurances provided within the internal audit reports other key factors considered to inform the Head of Internal Audit Opinion include:

- 1) Progress to implement audit recommendations to improve the control environment, particularly where the priority assigned to the recommendation is high and/or where assurances have been below adequate;
- 2) Investigation findings where weaknesses in control have been identified;
- 3) Other insight gained by performing the Head of Audit role during the year.

Head of Audit opinion 2021/22

From the internal audit work undertaken in 2020/21, the Head of Audit's overall opinion is **Limited Assurance** regarding the adequacy and effectiveness of the controls in place within Homes for Haringey. This can be broken down further as follows:

- Assurance: Financial systems

In my opinion, with the exception of those areas where adequate assurance reports have been issued, the controls in place in those areas reviewed demonstrate weaknesses that put the system objectives at risk

- Assurance: Non-financial systems

In my opinion, with the exception of those areas where adequate assurance reports have been issued, the controls in place in those areas reviewed demonstrate weaknesses that put the system objectives at risk.

Specific issues for 2021/22

Of the seven completed assurance assignments, there were only two reports issued with an assurance of adequate. These were recent audits of Tenancy Management and Housing Rents. We note that the Rents system assurance has improved compared to the prior year report (this was assigned Limited assurance in the last financial year). One report was given 'Nil Assurance' and four reports 'Limited Assurance'. Details are provided at Appendix A.

Key areas of concern noted were Declarations of Interest. This audit was completed early in the financial year, we have subsequently been able to follow up on the recommendations and although one of the two priority one recommendations was only partly implemented all other agreed management actions had been implemented.

Complaints received Limited Assurance. This audit was also completed early in the financial year and note a number of the management actions having been fully implemented by March 2022.

We have noted that some recommendations raised in our 2021/22 audits have affected by the planned insource to the council. These will be tracked as part of our council follow up work.

The work of the anti fraud team has returned to business as usual during 2021/22 after the challenges of COVID-19, however continues to be impacted by other demands on the service outside of the tenancy fraud work. The restructure of the tenancy management team has impacted during the year. Further details are highlighted at Appendix B.

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Report for: Corporate Committee – 21 July 2022

Item number:

Title: Draft Annual Governance Statement 2021/22

Report authorised by : Director of Finance

Lead Officer: Minesh Jani, Head of Audit and Risk Management
Tel: 020 8489 5973
Email: minesh.jani@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision: Information**

1. Describe the issue under consideration

- 1.1 To inform the Corporate Committee of the statutory requirements to produce an Annual Governance Statement for 2021/22 (AGS) and to provide a draft statement relating to the 2021/22 financial year for review and approval.

2. Cabinet Member Introduction

- 2.1 Not applicable.

3. Recommendations

The committee are asked to:

- 3.1 To review and approve the draft 2021/22 AGS attached at Appendix A.
- 3.2 That the Corporate Committee notes the approval timescale and processes for the draft 2021/22 AGS.

4. Reasons for decision

- 4.1 The Corporate Committee is responsible for approving the Council's draft AGS as part of its Terms of Reference. In order to facilitate this, and provide information on its sources of assurance from across the Council, reports have been provided on a regular basis for the Corporate Committee, culminating in the production of the draft AGS.
- 4.2 The Corporate Committee's terms of reference include under part D (ii), maintaining an overview of the Council's Local Code of Corporate Governance.

5. Alternative options considered

- 5.1 Not applicable.

6. Background information

- 6.1 The Council is required to produce an Annual Governance Statement (AGS) for publication with the Council's annual accounts. The AGS comments on the Council's governance framework as a whole. Corporate governance brings

together underlying set of legislative requirements, governance principles and management processes.

- 6.2 The preparation of an AGS is a statutory requirement of the Accounts and Audit Regulations (2015), as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020. These regulations require local authorities to produce an annual statement, in accordance with 'proper practice'.
- 6.3 In order to comply with the statutory reporting deadlines, the AGS for 2021/22 has to be approved by **1 August 2021**. The Leader and Chief Executive will sign the statement assurance that responsibilities have been adopted at a corporate level and adequate processes exist and are effective before they sign the AGS.
- 6.4 Prior to its final approval, the Council needs to demonstrate that the AGS has been reviewed and agreed by relevant senior managers across the authority and an appropriate member body. The Corporate Board has reviewed the draft AGS and a copy of this is provided at Appendix A.
- 6.5 The AGS has been produced in line with the revised guidance issued in 2016 by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) in their report 'Delivering Good Governance in Local Government: Framework'. The guidance applies to governance statements produced from 2016/17 onwards.
- 6.6 The revised guidance is recommended to be used as 'best practice' for developing and maintaining a locally adopted code of governance. The Council's existing and published Local Code of Corporate Governance has been revised to incorporate the updated guidance and submitted to the Corporate Committee for approval.

7. Contribution to strategic outcomes

- 7.1 Corporate governance is an important element of the external assessment processes. The annual accounts, including the AGS, are subject to audit by the council's external auditors. While the whole of the financial statements may not be qualified, an incorrect or inaccurate AGS may be raised as a recommendation by the external auditors. Ensuring the adequacy and effectiveness of the Council's governance arrangements, which cover all Priority areas, will assist in improving services to residents and other stakeholders.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Head of Legal & Governance (Monitoring Officer), Equalities)

8.1 Finance and Procurement

There are no direct financial implications arising from this report. The work within service areas which supports and provides evidence for the AGS, is contained and managed within their revenue budgets. Service departments manage risks and governance arrangements as part of the routine work to

achieve their business plans and costs are contained within their revenue budgets.

Internal audit undertakes reviews of matters arising at the Statutory Functions Board and in consultation with the Priority Owners identified the significant governance issues. Additionally, the Head of Audit and Risk Management provides an annual report to support the assurance processes for the AGS. This work is part of the annual internal audit plan and costs are included within Audit and Risk Management's budget.

The Chief Finance Officer confirms that the presentation of the attached draft AGS for approval by this Committee meets the Council's statutory requirement under the Accounts and Audit Regulations (2015), as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020.

8.2 Legal

The Head of Legal & Governance has been consulted in the preparation of this report, and in noting that the AGS has been produced in accordance with current and best practice guidelines, has no comments.

8.3 Equality

There are no direct equality implications for the Council's existing policies, priorities and strategies as a result of this report. However, ensuring that the Council has effective governance arrangements in place and taking appropriate action to improve these where required will assist the Council to use its available resources more effectively.

This report deals with governance arrangements and their implementation across all areas of the Council, which have an impact on various parts of the community. Improvements in managing governance will therefore improve services the Council provides to all sections of the community.

9. **Use of Appendices**

Appendix A – Draft Annual Governance Statement 2021/22

10. **Local Government (Access to Information) Act 1985**

Not applicable.

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Annual Governance Statement 2021/22

1. Scope of responsibility

- 1.1 We are responsible for ensuring that our business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. We also have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which our functions are exercised, with regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this, we are also responsible for putting in place proper arrangements for the governance of our affairs, facilitating the effective exercise of our functions, which includes arrangements for the management of risk.
- 1.3 We have approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. Haringey's local code of corporate governance is published on the Council's website and a copy can be obtained from the Council's Monitoring Officer. This statement explains our commitments as part of the Local Code of Corporate Governance, together with how we obtain assurance that these commitments are in place and effective; it also meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015, in relation to the publication of an Annual Governance Statement.

2. The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which we direct and control the activities of the Council. The framework also comprises the activities through which we are accountable to, engages with and leads the community. Through the framework, we monitor the achievement of our strategic objectives and consider whether those objectives have led to the delivery of appropriate and cost-effective services.
- 2.2 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, but it can provide a reasonable assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of our approved policies, aims and objectives. The system of controls also allows for the evaluation of the likelihood of risks being realised and the impact should they be realised, ensuring that we are able to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place for the year ended 31st March 2022 and up to the date of the approval of the annual report and accounts.

- 2.4 Like all local authorities across the country, we rapidly changed our focus in March 2020 to respond to the global COVID-19 pandemic and that continued throughout the financial 2021/22. This involved enacting emergency planning and business continuity arrangements, protecting and supporting the most vulnerable, supporting public health measures to reduce the spread of the virus and maintaining and adapting council services to continue to serve residents and businesses in the borough. This was not just a Haringey response, we have and continue to work with partners, local and regional authorities across London and government through London emergency planning arrangements.
- 2.5 The majority of our council staff moved to working from home though from December 2021, we have moved to hybrid working with staff working some time from our offices and from home. The connected communities' helpline was set up as the 'shop front' for advice, support and information with over 6,000 people having made contact by the end of May 2020 and we continued to operate this programme into the 2021/22 financial year. We continued to work with the NHS to support the c9,100 extremely vulnerable residents identified as part of the 'shielded group'.
- 2.6 We successfully enacted our business continuity plans in response to Covid-19 and were able to sustain most service by using technology to enable staff to work from our offices and from home. Services adapted their business model rapidly to move services online, or to provide support to residents remotely and we continue to take a measured, phased approach as we implement hybrid working. The social distancing policies established by our facilities management team were modified during the year based on advice from health officials though safety of our staff remained paramount throughout the pandemic. Particular attention has been paid to services that may need to resume a face-to-face offer, to ensure this is done safely. We produced and published a covid-19 risk assessments, which was presented at the Corporate Committee on 3 December 2020 and covid related risks continued to be monitored across the organisation. In addition, we have carried out individual risk assessments to identify any Council staff with higher levels of vulnerability, so that we ensure that we protect the health and wellbeing of all our staff through what continues to be a period of elevated concern.
- 2.7 In December 2021, following a consultation process, a decision was made to bring services delivered by the Council's Arm's Length Management organisation (Homes for Haringey) into the Council from 1 June 2022. Homes for Haringey was responsible for delivering the Council Housing function and managed over 16,000 tenant homes and over 4,500 leasehold properties on behalf of the Council between 2006 and 2022 and employed around 750 staff. The change will have a significant impact as the Council seeks to integrate the Housing functions into Council operations over the coming years.
- 2.8 The second half of the year saw some residents impacted by the cost of living crisis. We are acutely aware of its impact and have supported people through our welfare strategy, which we brought forward with aims to manage and stop people from falling into debt in the borough and support the most vulnerable residents in the community.

2.9 Locally the council is working to reduce the impact on residents through the introduction of The Haringey Strategy for Tackling Debt, which aims to identify those residents with the most urgent need and unmanageable or ‘problem’ debt and provide them with debt management support. In particular, the new strategy outlines the key steps the council will take, working with partners, to tackle debt in Haringey:

- **Support:** Providing emergency help through the local welfare assistance fund and scheme and stopping the use of bailiffs for collecting Council Tax from vulnerable residents, and those on low incomes;
- **Safeguarding:** Recognising debt as a safeguarding issue and working with partners to raise awareness of the risks associated with problem debt and referring vulnerable people to help;
- **Systems:** Introducing a ‘apply once’ process for variety of benefits, support, and interventions to triage and understand individual causes of debt; and
- **Setting the agenda:** Raising awareness of the issue of problem debt and establishing a partnership board with the aim of developing new insights and services that increase social security, financial resilience and access to the right support.

2.10 The council will work with partners to implement the strategy as it continues to understand the wider picture of support required in the borough.

2.11 The following section highlights each of the seven governance principles set out in the CIPFA / SOLACE framework “Delivering Good Governance in Local Government” and the arrangements in place demonstrating how we meet the governance principles. Any gaps identified as part of the annual review will form an action plan agreed and monitored by the Statutory Officers with all actions to be completed by March 2023.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	
<p><u>Behaving with Integrity</u></p> <p>a) The Council’s Member Code of Conduct (Nov 2019) requires members to declare interests; applies to Members and co-opted voting members on election or appointment. Published on the internet: http://www.haringey.gov.uk/sites/haringeygovuk/files/lbh_constitution_part_5_section_a_-_part_1_0.pdf</p> <p>b) The offer of Induction is provided for all new Members when they are elected on</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>expected standards of behaviour. A comprehensive programme has been established since the election in May 2022 to on board new and re elected members into the Council.</p> <p>c) The Officer Code of Conduct was reviewed in 2019 and a new version was published to staff in June 2019 following approval by Members. A copy of the Code is provided to all new officers on appointment and annual reminders are made of the need for employees to make a declaration of a conflict of interest or to declare any offers of gifts or hospitality which are received.</p> <p>d) Haringey Values updated in 2015 (Human, Ambitious, Accountable, and Professional). The Council's Human Resources (HR) team is running seminars for Senior Managers to attend on HR policies including Haringey values. The values are published on the internal website and internet: https://www.haringey.gov.uk/jobs-and-training/working-haringey/haringey-values</p> <p>e) Decision-making practices for member decisions follow legal and transparency requirements. Officer decisions are also recorded and published on Modern.gov: http://www.haringey.gov.uk/local-democracy/our-standards https://www.haringey.gov.uk/local-democracy/how-decisions-are-made</p> <p>f) Register of interests and gifts and hospitality for members/co-optees checked on election/appointment. Minutes show declarations of interest sought, and appropriate declarations made for each meeting. http://www.haringey.gov.uk/local-democracy/our-standards/register-members-interests</p> <p>g) Requirement for all new staff to complete Register of Interests declaration. Senior managers are required to complete a declaration every two years; staff should complete a new form as/when circumstances change. Gifts and hospitality for members are recorded with their declarations of interests and are published on the website, see link in f above. A new system, HALO has been introduced to efficiently manage HR processes under a single portal.</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>For officers, declaration forms are retained in Human Resources and in future will be maintained on HALO.</p> <p>h) Standard report format requires report authors to state how their proposal meets the corporate objectives and priorities. Report authors must also provide reasoning and evidence for proposals, so that the basis for decisions is clear and include statutory officer's advice, including legal and finance advice. Training for report authors on writing clear, logical and objective reports was provided for officers from July 2021 to Jan 2022 and standard templates are held on the internal website.</p> <p>i) Anti-fraud and corruption strategy is in place, including the Whistle blowing policy (Dec 2020). The Head of Audit and Risk Management reports on actions, effectiveness and outcomes (and use of the whistle blowing policy) to Corporate Committee and provides awareness presentations to Corporate Management Group. Copies of the policies are on the internet: https://www.haringey.gov.uk/local-democracy/performance-and-finance/fraud-and-corruption</p> <p>j) Corporate and service specific complaints policies are in place and published on the website. Level of complaints upheld at Stage 1 and 2 is monitored and reported regularly to the Council's Corporate Management Group using Grip Indicators. More information is being published and made easily accessible to customers. Training sessions have been developed looking at examples of best practice in responses and getting it right first time. http://www.haringey.gov.uk/contact/council-feedback/complaints-about-council</p> <p>k) Local Code of Corporate Governance was refreshed in 2018/19 and was approved at Corporate Committee July 2019. It is planned for the Code to be refreshed and be presented at Full Council following update for any significant changes : https://www.minutes.haringey.gov.uk/documents/s110621/App%20B%20Code%20of%20corporate%20Governance%20for%20legal%20VB%20MJ%2014.11.18%20final</p>	<p>Refresh the Local Code of Corporate Governance</p>

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>.pdf</p> <p><u>Demonstrating strong commitment to ethical values</u></p> <p>l) The Standards Committee, along with the Council's Monitoring Officer, establishes monitors and maintains the organisation's ethical standards and performance, reporting to full Council as necessary. The committee deals with allegations of breaches of the Member Code and issue (or require Groups to issue) reminders/advice notes to Members where issues of conduct cause concern. http://www.haringey.gov.uk/local-democracy/our-standards/standards-committee</p> <p>m) The Council incorporated the Social Value Act requirements into all procurement and contracts; including a standard clause referring to 'PREVENT' in all contracts, as well as safeguarding and health and safety. A broader review of how the authority carries out procurement activity is underway and any change will continue to incorporate the Council's Social Value Act requirements.</p> <p>n) A major review of all the Human Resources policies & procedures began in 2019/20 and is ongoing. The policies for revision undergo extensive discussion with relevant groups within the council and with trade unions before the final version is presented to Members for their approval, only when approved are policies published and details communicated to officers.</p> <p>o) The Council encourages external providers of services to act with integrity and in compliance with high ethical standards expected by the organisation in information sharing: http://www.haringey.gov.uk/community/community-safety-and-engagement/crime-and-disorder-information-sharing-protocol In procurement: http://www.haringey.gov.uk/business/selling-council/council-contracts</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p><u>Respecting the rule of law</u></p> <p>p) The Chief Executive is appointed by full Council. Any disciplinary action or dismissal of the statutory officers is dealt with in line with legal requirements that take into account the need for them to fulfil their responsibilities in accordance with legislative and regulatory requirements. A Statutory Officers Group meets monthly and ensures statutory compliance and is both forward and backward looking and support the organisation and Statutory Officers in fulfilling their roles.</p> <p>q) The Council optimises the powers available for the benefit of citizens, communities and other stakeholders. Decisions are taken, in accordance with relevant statutory requirements and the Council Constitution, by full Council, Cabinet, individual Cabinet members and officers under delegated powers. The Council Constitution is reviewed updated and published on the internet: http://www.haringey.gov.uk/local-democracy/about-council/council-constitution</p> <p>r) Breaches of law/financial regulations can be the subject of a report to full Council by the relevant statutory officer. No statutory officer reports have been required in 2021/22.</p> <p>s) Statutory officers are available at meetings of the Council/Cabinet to advise and ensure law and regulations are not breached.</p>	
<p>B. Ensuring openness and comprehensive stakeholder engagement</p>	
<p><u>Openness/ Implementing good practice in transparency</u></p> <p>a) The Council Publication Scheme sets out information available to view or download</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>including under the requirements of the Transparency Code 2015. http://www.haringey.gov.uk/local-democracy/publications/publication-scheme</p> <p>b) Member decisions are rarely taken in the private (Part 2) section of meetings. Member delegated decisions are also taken at meetings advertised and open to the public. The constitution allows for deputations and petitions and a call-in procedure for cabinet key decisions is in place. The local and statutory requirements are set out in the Council Constitution: http://www.haringey.gov.uk/local-democracy/about-council/council-constitution</p> <p>c) The Council carries out consultation on a regular basis with stakeholders. It has a consultation co-ordinator and a consultation charter and toolkit on its internal website. All consultations require a consultation plan, which is posted on the consultation e-plan on the internet. http://www.haringey.gov.uk/local-democracy/have-your-say-haringey. http://www.haringey.gov.uk/local-democracy/have-your-say-haringey/our-commitments-you https://www.haringey.gov.uk/local-democracy/policies-and-strategies/borough-plan-2019-2023-consultation</p> <p>The Council publishes 'Performance Wheels' on Borough Plan priorities and outcomes on the website; feedback on our performance is encouraged through this route: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/building-stronger-haringey-together</p> <p><u>Engaging comprehensively with institutional stakeholders</u></p> <p>d) A partnership with the community sector was approved in December 2015 designed to forge stronger relationships with the local voluntary sector, working with the Moracle Foundation to improve the strength of the voluntary sector, enabling it to attract more funding and investment to support local communities. A voluntary and</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>community sector pledge is included in the Borough Plan.</p> <p>e) Formal and informal partnerships allow for resources to be used more efficiently and outcomes achieved more effectively; the Borough Plan incorporates key partnership working across all its priorities, including the Local Safeguarding Children’s Board (LSCB), Safeguarding Adults Board (SAB), Multi-Agency Risk Assessment Conference (MARAC) and the Community Safety Partnership (CSP). Agendas and minutes for the CSP are published on the website: http://www.minutes.haringey.gov.uk/ieListMeetings.aspx?CId=444&Year=0 Examples where the Council participates in partnership include the Joint Health & Wellbeing Partnership with Islington; delivering the STEM commission recommendations; working with our schools to improve outcomes for children.</p> <p>f) Resident engagement also occurs in formal consultation and engagement processes. More information on the Community Engagement Framework is available on our website. https://www.haringey.gov.uk/local-democracy/have-your-say-haringey/haringeys-community-engagement-framework</p> <p>g) The Council also uses social and print media to engage with residents and stakeholders, including the Council website, My Account, Twitter, Facebook, Haringey People and the weekly Haringey People online. The Council also has specific partnerships and stakeholder newsletters including Team Noel Park; and Northumberland Park to engage with residents.</p>	<p>Further consideration is being given to resident engagement.</p>
<p>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits; and D. Determining the actions necessary to optimise the achievement of the intended outcomes</p>	
<p><u>Defining actions/outcomes and sustainable economic, social and environmental benefits</u></p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>a) The Borough Plan sets out how the Council might work with partners and with communities to improve the borough and make Haringey a more successful place, while delivering a significant savings programme by 2025. The plan has five core priority areas, each under-pinned by a series of ambitious targets. It considers and balances the economic, social and environmental impact of policies, plans and decisions. The Plan includes a challenging set of performance measures. Programme planning and management require focus on outcomes and benefits identification and tracking as part of project implementation. There is a clear and consistent approach to the reporting of outcomes, benefits, risks and issues across Priority Boards. The Plan is published on the website and is being refreshed following the local authority elections in May 2022 to reflect the manifesto priorities of the new administration: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/borough-plan</p> <p>b) The Council publishes updates on its website to show how the Council and partners are achieving against specific targets every three months. The outcome targets specify the intended impact on service users, residents and other stakeholders.</p> <p>c) The Council has an agreed Medium-Term Financial Strategy (MTFS) and Workforce Plan. These set out how the Council will deliver the corporate plan taking into account the full cost of operations and within available resources, balancing service priorities, and ensure its workforce has the right skills to enable it to achieve the agreed outcomes. Regular reports are provided to the Cabinet: https://www.minutes.haringey.gov.uk/documents/s129929/2022.23%20Budget%20and%202022-2027%20MTFS%208%20Feb%202022%20ver3.0%20FINAL.pdf</p> <p>d) Robust planning and control cycles cover strategic and operational plans, priorities and targets. An internal governance process has been implemented to provide regular monitoring and scrutiny of the achievement of the corporate plan and resources applied. For each priority, Priority Boards have been introduced. Performance against objectives is published on the website: http://www.haringey.gov.uk/local-democracy/performance-and-finance/council-</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>performance</p> <p>e) A five-year capital programme was approved by Full Council on 8 February 2022, which sets out the Council's longer-term investment requirements linked to policy objectives, updates are provided to Cabinet annually at the February meeting: https://www.minutes.haringey.gov.uk/documents/s129929/2022.23%20Budget%20and%202022-2027%20MTFS%208%20Feb%202022%20ver3.0%20FINAL.pdf</p> <p>f) The Council reviewed its financial practices against CIPFA's Financial Management Code of Practice and its guidance notes. The code aims to assist local authorities in demonstrating sustainable financial management and gives examples and best practice principles. The review noted the authority substantially confirms with the code though noted some further steps that will enhance current arrangements.</p> <p><u>Determining actions and optimising achievement of intended outcomes</u></p> <p>g) The Council includes requirements to enhance social value in contracts. For example, construction projects over £1m in value must include an apprenticeship scheme, and where possible, employers are encouraged to pay the London Living Wage. High value procurements include a significant weighting in the 'social value' section and, where applicable, requirements as to the use of community assets.</p>	
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	
<p><u>Developing the entity's capacity</u></p> <p>a) The Council's Workforce Development Strategy 2019 – 2023 aims to create a better place to work and to ensure the Council has the right people in the right places with the appropriate skills to deliver the Council's priorities. The plan is published on the</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>website: https://www.haringey.gov.uk/search/haringey_cse/workforce%20development%20strategy</p> <p>b) Workforce expectations also form a clear part of contracting and commissioning processes, as our workforce is not limited to employed staff, including complying with minimum and London Living Wage requirements.</p> <p><u>Developing the capability of the entity's leadership and other individuals</u></p> <p>c) The Council Constitution specifies the types of decisions that is delegated and those reserved for the collective decision making of the full Council or Cabinet. http://www.haringey.gov.uk/local-democracy/about-council/council-constitution</p> <p>d) The Council's Constitution sets out the leader and chief executive roles to ensure the respective responsibilities are defined in accordance with decision-making accountabilities. These comply with relevant statutory requirements. It also includes the general scheme of delegation. Each service area also has a service area scheme of authorisation for officers, currently published on the intranet.</p> <p>e) Members who sit on Committees are provided with training specific to their responsibilities for these committees. Training sessions have commenced for member for planning, licensing, audit, finance, pensions and treasury.</p> <p>f) The Council provides a programme of training for all members, and members have access to the Council's corporate training and development programme, which is published on the internal website.</p> <p>g) During 2016/17 the Council rolled out 'My Conversation', a new performance management process, to all staff, which focuses on personal and organisational development and performance; the Staffing and Remuneration Committee receives regular reports on people management issues in line with the Workforce Plan</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>objectives. Guidance and templates for all staff are published on the internal website.</p> <p>h) The Council’s Workforce Development Strategy 2019 – 2023 aims to create a better place to work. Work on creating a Healthy Workforce Strategy is on-going. The Council’s corporate Health, Safety and Wellbeing Board monitors all key aspects of statutory and local requirements and has an action plan in place to address any identified gaps in compliance. Health and Wellbeing Fairs have been run to promote employee health.</p> <p>i) The Council has protocols in place which govern how the operational and working relationships between officers and members are managed and forms part of the Constitution: http://www.haringey.gov.uk/local-democracy/about-council/council-constitution</p> <p>j) The Council reviews operations, performance and use of assets on a regular basis to ensure their continuing effectiveness; the Corporate Plan highlights key performance objectives, targets and outcomes, which are monitored and reported via the Council website. The performance reporting also compares current performance with statistical neighbours, London and England averages in most cases: http://www.haringey.gov.uk/local-democracy/performance-and-finance/council-performance</p>	
<p>F. Managing risks and performance through robust internal control and strong public financial management; and G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>	
<p><u>Managing risk</u></p> <p>a) Haringey has a corporate Risk Management Policy and Strategy in place it was reviewed in Sept 2020 and approved by Members in Dec 2020. A project to strengthen risk management and embed the Strategy has commenced and will</p>	<p>Continue to embed risk management principles</p>

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>continue into 2022/23. Risk Management is embedded through a variety of processes and procedures, management teams, groups and boards across the organisation and is central to activities, including business planning and project management processes.</p> <p>https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=730&MId=9449&Ver=4</p> <p>b) The Council's key risks are managed via corporate risk and directorate risk registers. Responsibility for individual risks and issues identified is clearly set out in risk registers. Internal audit reviews of key risks are undertaken as part of the annual audit programme. Performance objectives and outcomes are reported on the website: http://www.haringey.gov.uk/local-democracy/performance-and-finance/council-performance</p> <p>c) Haringey's business continuity planning is based on risk assessment and business impact analysis. Each service area produces a business continuity plan which is updated twice a year. Service continuity plans are incorporated into the Council-wide Business Continuity Plan. As noted previously the Council's Business Continuity Plans were implemented in response to Covid -19. More information on business continuity and emergency planning is available at: https://www.haringey.gov.uk/environment-and-waste/major-emergencies/emergency-planning</p> <p><u>Managing performance</u></p> <p>d) The Council monitors service delivery effectively including planning, specification, execution and independent post implementation review which is set out in the Borough Plan and outcome priorities: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/building-stronger-haringey-together</p>	<p>Work to refresh the Business Continuity arrangements began in 2021/22 and will continue into 2022/23.</p>

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>e) Overview and Scrutiny takes a detailed look at the Council’s decisions and policies and works to promote open decision making and democratic accountability in Haringey by holding the Cabinet to account; developing and reviewing policy in an inclusive cross-party manner that involves local communities and other interested parties, reviewing the performance of the Council and scrutinising local services not provided by the Council, such as health services. Overview and Scrutiny Committee also reviews the Performance Wheels on a quarterly basis and individual Scrutiny Panels consider performance with reference to their reviews. The reports and recommendations are discussed and responded to by the Cabinet and published on the Council’s website: http://www.minutes.haringey.gov.uk/ieListMeetings.aspx?CId=128&Year=0</p> <p><u>Strong public financial management and robust internal control</u></p> <p>f) The Medium-Term Financial Strategy (MTFS) outlines the overall financial strategy for achieving the Council’s priorities. The MTFS identifies savings required to deliver a balanced budget position each year between 2022 and 2027 before being approved by Full Council in February 2022; the reminder has yet to be identified and will form part of the financial planning process during 2022/23. Each Priority Board considers finance and budgets at every meeting, looking at both the budget and savings positions and tracking progress on both. Transformation and delivery of outcomes are aligned to achieving savings and remaining within budget limits; the performance outcomes are reported on the website.</p> <p>g) The Council’s financial management is based on a framework of regular management information and review to inform managers and members of the current budget position. Managers submit monthly budget forecasts and the Cabinet receives quarterly budget management information.</p> <p>h) The Council operates a ‘zero tolerance’ approach to fraud and corruption. The anti-fraud and corruption policy includes a fraud response plan, anti-bribery and money</p>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>laundering policies and a whistle-blowing policy. The anti-fraud policy is published on the Council website and regular articles on how to report fraud are published in staff newsletters and Haringey People. In 2022/23, the Council investigated and recovered 28 illegally sublet properties; and prevented 52 potentially fraudulent Right to Buy applications in line with the anti-fraud policy. Referrals made using the whistle blowing policy were all reviewed, investigated and reported to the Corporate Committee, copies of the reports are on the website: https://www.minutes.haringey.gov.uk/ieListMeetings.aspx?CId=730&Year=0</p> <p>i) The Council’s internal and external auditors produce annual audit reports and the Annual Audit Letter, which were both reported to the Corporate Committee. No significant governance issues were raised by either report; recommendations were made to address some identified control weaknesses.</p> <p>j) Regular internal and external audit reviews check compliance with financial and contract procedure rules across the Council and the outcomes of these are reported to the Corporate Committee on a quarterly basis. All high priority recommendations, excluding those covering schools’ audits, made by internal audit were found to be implemented when follow up audits were undertaken. The Corporate Committee fulfilled its terms of reference in relation to audit functions; and reported positive outcomes in relation to pro-active counter-fraud activities in 2021/22. The recent CIPFA application note on Audit Committee has highlighted the form of the Corporate Committee does not fully correspond with best practice and this is subject to a review in 2022/23.</p> <p>k) The Council’s internal control arrangements are subject to annual self-assessment by the Head of Audit and Risk Management; any gaps in compliance with mandatory standards are included in the statutory annual Head of Audit report. In line with the Public Sector Internal Audit Standards, a peer review was commissioned and reported the Internal Audit Service was fully compliant with the standards.</p> <p>Managing data</p>	<p>Review CIPFA’s application note on Audit Committees.</p>

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>i) The Council has policies dealing with various aspects of data management including security and data protection; Freedom of Information Act; information asset registers; and general records management. These and supporting guidance are all published on the intranet. Data quality policy is published on the website: https://www.haringey.gov.uk/local-democracy/performance-and-finance/council-performance?sm_auiHVH14V03WHLnWHq</p> <p><u>Implementing good practices in reporting</u></p> <p>m) The Council produces an annual report to accompany its statement of accounts; for 2019/20, this received an unqualified opinion from the external auditor in 2021/22, who confirmed that the accounts provided a true and fair view of the Council's financial position; and the arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. Under the Local Accountability Act, the Council is responsible for appointing its external auditors from 2019/20; approval for the preferred appointment process was obtained from Corporate Committee in February 2022 and Full Council in March 2022. The Council chose to participate in a sector led procurement exercise using Public Sector Audit Appointments (PSAA) as the Appointing Person. http://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=143&MId=7868&Ver=4</p> <p>n) The Council's Annual Governance Statement (AGS) is produced in accordance with required guidance and included in the statement of accounts; the AGS is reviewed by the Statutory Officers Group and the Corporate Committee to ensure that any gaps in assurance or compliance issues are identified and addressed. Significant issues reported in 2021/22 are being addressed.</p> <p>o) As part of the Corporate Plan delivery arrangements, five Priority Boards are responsible for delivering the Corporate Plan with a responsible manager allocated as owner for each corporate priority. Outcomes and performance against all the</p>	<p>Review and refresh the Data Quality Policy</p>

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<p>priorities' objectives are published on the website: http://www.haringey.gov.uk/local-democracy/performance-and-finance/council-performance</p> <p><u>Assurance and effective accountability</u></p> <p>p) Internal and external audit provide assurance on the Council's system of internal control to support the section 151 officer requirements, including reporting compliance with financial and contract procedure rules across the Council. The outcomes of internal audits are reported to the Corporate Committee on a quarterly basis. All outstanding recommendations are reported to Corporate Committee; a focus is maintained on ensuring all high priority recommendations are implemented. All outstanding recommendation continue to be monitored.</p> <p>q) The Head of Audit and Risk Management and the internal audit service fully complied with the requirements of the mandatory UK Public Sector Internal Audit Standards, as evidenced by peer review and self-assessment. Access to officers, members and information is provided by the Constitution.</p>	

4. Significant governance issues

- 4.1 Following our review of governance in 2020/21, we identified some key areas where work would be undertaken in 2020/21 to ensure governance arrangements were in place and effective. An action plan was drawn up and progress as at 31 March 2021 on this is set out below.

Issue	Agreed Action/ Deadline (as at July 2021)	Progress update (as at June 2022)
Covid -19 Impact on Financial Planning & MTFS refresh	<p>There has continued to be regular reporting of the financial position of the council to both Senior Officers and Members. The budget for 2021/22 was approved in February. The s151 officer confirmed via the follow up work in February 2021 that plans were in place to address the forecasted overspend for 2020/21, that existed at that time.</p> <p>In light of the Covid-19 pandemic the council's MTFS has been reviewed and appropriate financial risks recognised. The MTFS will continue to be monitored in 2021/22 and beyond as financial uncertainty will continue to impact on the Council's financial management arrangements.</p>	<p>Reporting has continued as planned to senior, officers and members.</p> <p>The MTFS planning for 2022/23 and onwards has taken account of various environmental/contextual issues such as the ongoing impact of covid-19, however clearly there remains a great deal of uncertainty regarding the long term legacy impact on the organisation and indeed within the local government sector.</p>
During 2020/21, there have been issues raised with regards the robustness of decision making relating to acquisitions and disposals of property, this has required investigation to provide assurance that effective governance is in place and to ensure that decisions have been made and recorded in line with the constitution.	<p>New governance arrangements have been put in place for decisions about acquisitions and disposals with clear process for clearance and recommendations to Members (and onward to Cabinet for decision where appropriate) about potential acquisitions or disposals.</p> <p>The Asset Management Plan update was published February 2021 and includes criteria which need to be met for acquisitions and disposals.</p> <p>The process for acquisitions and disposals mapped out for clarity and will be audited as part of the 2021/22 internal audit plan.</p>	In progress and updated for action in 2021/22.
Safety of two social housing	As at 06/06/20 five leaseholders still own homes in	Completed.

Issue	Agreed Action/ Deadline (as at July 2021)	Progress update (as at June 2022)
buildings at Broadwater Farm.	<p>Tangmere (with a further 111 vacant). 12 leaseholders own homes in Northolt although eight of these have agreed to sell and are at various stages of the conveyancing and sales process. There is one remaining tenant and a further 89 vacant properties.</p> <p>Due to ongoing difficulties in agreeing mutual sales prices for the remaining leaseholders, the council has commenced CPO proceedings and is anticipating a public inquiry in the Autumn of this year. It is assumed that should the council be successful at the inquiry, vacant possession will be secured no later than May/June 2022.</p> <p>Risks in each block are being mitigated by the removal of gas supplies (completed in 2019), provision of 24-hour security, the decommissioning of empty flats and the securing of front doors to prevent unauthorised access.</p>	
In October 2018, Ofsted carried out an inspection of Children's Social Care Services and published its final report on 14 December 2018. More recent inspections have recognised a positive direction of travel.	<p>There are regular one-to-one meetings with the Cabinet member for Children, Families and Education and the Director of Children's Services continue, supported by a Safeguarding Assurance quarterly meeting with the Leader, Chief Executive and the Independent Chair of the Haringey Children's Safeguarding Partnership, (HSCP).</p> <p>Ofsted conducted a Focus visit in March 2021. The recommendation from this inspection visit reinforced the work with partners to further develop and embed system for Children and young people who may go missing from home and care.</p>	In progress and updated for action in 2021/22.
Review the authority's information governance framework.	The Council is the accountable body for complying with the Data Protection Act 2018 and the UK GDPR. We	In progress and updated for action in 2021/22.

Issue	Agreed Action/ Deadline (as at July 2021)	Progress update (as at June 2022)
	plan to use the Information Commissioner's Accountability Framework to self-assess against its ten categories and to help identify and mitigate any gaps in our governance arrangements to demonstrate compliance with the Act and the Regulation.	

4.2 We have identified the following significant governance issues during 2021/22. It is proposed over the coming year to take steps to address the governance issues in these areas and these are set out in the action plan below. The action plan will be monitored during the year to ensure all issues are appropriately addressed.

Issue	Action	Responsibility	Due date
We need to ensure we deliver savings identified in our MTFS to manage within our financial means.	<p>The Council has developed a savings programme to respond to the Council's budget envelope from 2022/23 to 2027/28. During 2021/22, c. £5m savings were carried forward into 2022/23 bringing the total savings plus demand mitigation projects to deliver in this financial year to a total of £21m.</p> <p>Notwithstanding the Council's monitoring and delivery arrangements, the continued drive for identifying and delivering new savings proposal is a challenge, particularly in light of the impact of Covid 19.</p>	Director of Finance	31/3/2023
We noted governance weaknesses over the robustness of decision making relating to acquisitions and disposals of property.	<p>During 2021/22, concerns have been raised over the Council's arrangements for the acquisition and disposal of assets. In light of the concerns, an independent investigation has been commissioned to review the governance arrangements for nine property transactions.</p> <p>The outcome of the independent review will be reported in 2022/23 with a view to improving governance within this area.</p>	Director of Housing, Planning and Regeneration.	31/12/2022
We need to make sure our social service practice safeguards children.	Ofsted conducted a focus visit in Mar 2021 following their inspection in Dec 2018. Actions arising their visit continue to be progressed.	Director of Children's Services	31/3/2023
We need to make sure we Insource the Council's Arm's Length Management Organisation, Homes for Haringey (HfH) into Council	<p>Following a Dec 2021 Cabinet decision to bring its Arm's Length Management Organisation (Homes for Haringey) back into the Council, the service was brought in house from 1 June 2022.</p> <p>The Council is progressing with the integration of the functions</p>	Corporate Leadership Team and Director of Housing, Planning and Regeneration.	31/3/2023

Issue	Action	Responsibility	Due date
operations.	previously carried out by HfH, and the challenges this possess in the assimilation of the legacy HfH activities.		
We need to strengthen the authority's information governance framework.	The Council is the accountable body for complying with the Data Protection Act 2018 and the UK GDPR. We plan to use the Information Commissioner's Accountability Framework to self-assess against its ten categories and to help identify and mitigate any gaps in our governance arrangements to demonstrate compliance with the Act and the Regulation.	Head of Legal and Monitoring Officer	31/3/2023
Audits identified weaknesses our management of Health and Safety within the Council and its ALMO, Homes for Haringey.	Building Compliance audits of properties managed by the Council and Homes for Haringey identified deficiencies within the operations and record keeping in respect of Health and Safety checks. The auditors have raised recommendations that management have accepted that we will implement.	Corporate Leadership Team	31/3/2023

5. Review of effectiveness

- 5.1 We take responsibility for conducting an annual review of the effectiveness of our governance framework, including the system of internal control. The review of effectiveness is informed by the statements of assurance and annual governance self-assessments by each director and assistant director, who have responsibility for the development and maintenance of the governance environment; the Head of Audit and Risk Management's annual report, and also by comments made by the Council's external auditors and other review agencies and inspectorates.
- 5.2 The Director of Finance holds the Council's statutory section 151 Officer role; the Head of Legal and Governance (the Council's Monitoring Officer) and the Head of Audit and Risk Management have also reviewed the work done by the Council relating to governance issues in 2021/22. Their comments on the key governance issues are as follows:
- Director of Finance: The Council's 2021/22 budget had major variations as a result of the C19 pandemic, and the Council's response to this. Throughout the year there was continuous reporting to Cabinet and to the government on the impact of the pandemic on the Council's finances, and strong levels of financial governance and control have been maintained throughout the pandemic period. In broad terms, government financial support has been sufficient to cover the direct financial impact on the Council's general fund budgets in 2021/22, however this funding is not anticipated to continue into future years. Furthermore, the legacy impacts of the pandemic, combined with the current economic pressures must be anticipated to impact on the Council's finances, including demand for certain services and inflationary cost pressures. Consequently, a great amount of uncertainty surrounds the future of the Council's finances. The direction of future government funding policy will also impact on the Council's finances, and a future risk factor. The Council's latest approved budget and MTFs forecasted a significant medium term funding gap in excess of £20m, however given that this was approved before the recent inflationary environment began to manifest itself, this position must be assumed to have worsened. The Council will therefore need to develop plans to reduce its net cost base correspondingly, while best ensuring that it fulfils its responsibilities and priorities.
 - Head of Legal & Governance (Monitoring Officer): The Monitoring Officers for 2021/22 are not aware of any significant governance issues in relation to member code of conduct complaints. The work in strengthening the governance concerning acquisitions and disposals will be reviewed during 2022/23.
 - Head of Audit and Risk Management: The work of the internal audit team continued to be impacted upon significantly over the last financial year due to the impact of Covid 19. The audit programme initially presented to the March 2021 Corporate Committee remained agile to respond to the changing risk profile of the Council in recognition of the impact of Covid 19. For the audit work completed, most areas were assigned a satisfactory levels of assurances although weaknesses in internal controls were identified in some areas. Internal audit highlighted the following areas where management attention was required; the management of Council properties; procurement, IT related risks, recruitment, record keeping and health and safety. Management have accepted audit recommendations to improve the internal control environment in these areas. Audits performed at Homes for Haringey have highlighted internal control weaknesses in a number of

areas audited including housing repairs, facilities management, declaration of interests and learning lessons from the implementation of the Northgate system. The proportion of schools assigned a satisfactory level of assurance has been maintained for 2021/22.

- 5.3 The Head of Audit and Risk Management has also provided an Annual Audit Report and opinion for 2021/22. The report concluded that in most areas across the Council, with the exception of those areas receiving 'limited' or 'Nil' assurance, there are sound internal financial control systems and corporate governance arrangements in place, and that risk management arrangements are satisfactory
- 5.4 Directorate Management Teams have discussed a statement of assurance covering 2021/22 which is informed by work carried out by Directors; Assistant Directors; heads of service and managers; internal audit; any external assessments; and risk management processes. The statements are used to provide assurance that any significant control issues that have been brought to their attention have been dealt with appropriately. No significant governance issues, apart from those identified at paragraph 4.2 were recorded.
- 5.5 The Chartered Institute of Public Finance and Accountancy (CIPFA) statements on the role of the Chief Financial Officer (CFO) and the role of the Head of Internal Audit (HoA) in public service organisations have both been incorporated into the Council's overall governance arrangements. During 2021/22, the Council can confirm that both the CFO and HoA fulfilled all the requirements set out within the CIPFA statements, and assurance on this was obtained via internal and external audit reviews. No gaps in compliance were identified for either role.
- 5.6 The Leader of the Council and the Chief Executive have been advised of the implications of the result of the review of the effectiveness of the governance framework by the Corporate Committee, and a plan to implement enhancements and ensure continuous improvement of the system is in place.
- 5.7 The evidence provided concerning the production of the Annual Governance Statement has been considered by the Chief Executive and the other members of the Corporate Board; and will be considered by the Council's Corporate Committee in July 2022. The Statutory Officers concluded that the Council has satisfactory governance systems in place and satisfactory plans to address the identified issues to ensure improvement; these arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The Chief Executive along with the other members of the Corporate Board are committed to implementing the action plan, strengthening and improving controls and keeping the effectiveness of the Council's corporate governance arrangements under review during the year.

Signed by:

Councillor Peray Ahmet
Leader of the Council

Date:

Andy Donald
Chief Executive

Date:

Report for: Corporate Committee – 21 July 2022

Item number:

Title: Internal Audit – External Quality Assessment

Report authorised by : Director of Finance

Lead Officer: Minesh Jani, Head of Audit and Risk Management

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non-key decision

1. Describe the issue under consideration

1.1 The Corporate Committee has a strategic role to ensure the Council's assurance is operating effectively. To this end, the work of Internal Audit is a key component of the assurance framework and the outcome of the external assessment provides evidence to the Corporate Committee as to whether the Internal Audit service is operating in accordance with the Public Sector Internal Audit Standards (PSIAS).

2. Cabinet Member Introduction

2.1 Not applicable.

3. Recommendations

Corporate Committee is asked:

3.1 To note the positive outcome of the External Quality Assessment for Assurance and are assured over the quality and effectiveness of the Council's Internal Audit Function.

4. Reasons for decision

4.1 Internal Audit within the Public Sector in the UK is a statutory function, governed by the Public Sector Internal Audit Standards (PSIAS) - which have been in place since 2013 (updated in 2017).

4.2 The Standards require an external quality assessment at least every 5 years as part of Internal Audit's Quality Assurance Framework. This report provides the Committee with information on the result of the external quality assessment undertaken on in February 2022.

5. Alternative options considered

5.1 Not applicable.

6. Background information

6.1 The Council's Internal Audit function is delivered in partnership with Mazars.

- 6.2 The Public Sector Internal Audit Standards (PSIAS) – which have been in place since April 2013 (updated March 2017) consist of the following elements:
- Mission statement of Internal Audit;
 - Definition of Internal Auditing;
 - Core principles for the professional standards;
 - Code of Ethics; and
 - Attribute and performance Standards for the Professional Practice of internal Auditing.
- 6.3 The Standards aim to promote consistency of practice and improvement in the professionalism, quality and effectiveness of internal audit across both the public and private sectors. They reaffirm the importance of robust, independent and objective internal audit assurance.
- 6.4 In local government the PSIAS are mandatory - as required by the Accounts and Audit Regulations 2015. We must also comply with the CIPFA Local Government Application Note.
- 6.5 The Standards require an external assessment at least once every 5 years as part of an Internal Audit's Quality Assurance Framework. They must be conducted by a qualified, independent assessor or assessment team from outside the organisation. Our assessment was conducted by Ray Gard, the managing director of Gard Consultancy Services Ltd.
- 6.6 Ray is an experienced finance and governance manager with extensive public sector experience, and he has a full understanding of risk management, corporate governance, and the statutory frameworks governing the management, audit, and regulation of public sector organisations, including the role of the audit committee. He has an in-depth knowledge of the Public Sector Internal Audit Standards (PSIAS), the CIPFA Local Government Application Note (LGAN), and the International Professional Practice Framework for Internal Auditors (IPPF). Ray played a significant part in the peer review process for PSIAS EQAs developed by the London boroughs. He has undertaken over fifty PSIAS and IPPF EQA assessments on a range of internal audit services operating in the public, housing and private sectors, the NHS, and an accountancy firm that provides internal audit services to a significant number of public sector organisations.
- 6.7 Our assessment was undertaken in the period February to April 2022 and included:
- Self-assessment validation;
 - Survey of a wide range of stakeholders;
 - Interviews with key stakeholder - this involved the Corporate Committee Chair, S151 Officers, the Monitoring Officer and auditees; and
 - A comprehensive range of documents that they used as evidence to support their self-assessment, and these were available for examination prior to and during this validation review.

- 6.8 The questionnaire and interviews focused on determining the strengths and weaknesses of internal audit and assessed them against the four broad themes of Purpose and Positioning; Structure and Resources; Audit Execution; and Impact.
- 6.9 The external assessment concluded the **Council's Internal Audit service Fully Conforms** with the mission statement for internal audit, the Standards of Practice the Code of Ethics set out in the PSIAS and the associated CIPFA Advisory application note.
- 6.10 The definition for "Fully Conforms" in the standard is : The internal audit service complies with the Standards with only minor deviations. The relevant structures, policies, and procedures of the internal audit service, as well as the processes by which they are applied, comply with the requirements of the Standards in all material respects with only minimal departures and minor issues to resolve.
- 6.11 I am really pleased with the outcome of the External Quality Assessment – it is a very rigorous and challenging assessment. We pride ourselves on being an experienced, competent and innovative internal audit provider – who strives to maintain and develop its service by embedding quality in all elements of internal audit activity.
- 6.12 This assessment helps provide confidence to the Council over the quality of the service and the excellent people who deliver its internal audit work and plan.
- 6.13 Whilst the assessment didn't recommend any improvement actions – there were a number of advisory points made, designed to help enhance existing operations and the adoption of best practice. These were to consider:
- Include a statement of impairments to independence in the annual report;
 - Consider the options available should the London Borough of Croydon or Mazars LLP opt to terminate the APEX framework contract in 2024 and prepare a contingency plan to ensure continued delivery of an internal audit service should this happen;
 - Include an indicative distribution list for the final audit report in the audit terms of reference; and
 - Include a report distribution list in the final audit report.
- 6.14 A copy of the External Quality Assessment report is attached at Appendix A.
- 6.15 Our quality assurance framework provides a structure for continuous improvement and is attached at Appendix B. The advisory points are included in our Quality Assurance Improvement Plan.

7. **Contribution to strategic outcomes**

- 7.1 Internal audit is an important element of the Council's assurance processes. The internal audit and counter-fraud teams make a significant contribution to ensuring the adequacy and effectiveness of internal control throughout the Council, which covers all Priority areas.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance and Procurement

There are no direct financial implications arising from this report.

8.2 Legal

The Head of Legal & Governance has been consulted in the preparation of this report, and in noting that the audit strategy and the charter follow best practice and industry standards, and that the audit plan takes account of changes to legislation, confirms that there are no direct implications arising out of the report.

8.3 Equality

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not.

As contracted providers of Haringey Council, the internal audit contractor is required to demonstrate a strong commitment to equality and fairness in their actions and work practices, and adherence to the Equality Act 2010. Ensuring that the Council has effective internal audit and assurance arrangements in place will also assist the Council to use its available resources more effectively.

9. Use of Appendices

Appendix A –Internal Audit – External Quality Assessment ; and
Appendix B – Quality Assurance and Improvement Plan.

10. Local Government (Access to Information) Act 1985

Not applicable.



**External Quality Assessment of Haringey Council's Internal Audit
Service's Conformance with the Public Sector Internal Audit
Standards**

Final Report – 24th May 2022

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1. Introduction

- 1.1 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS), which have been in place since 1st April 2013 (revised 2016 and 2017). In local government, the way internal audit services operate is more flexible than in other parts of the public sector where there is a large degree of central control. To ensure local authority internal audit services apply the PSIAS in a uniform way, CIPFA has produced the local government application note (LGAN) which provides additional detail for each of the individual standards. The LGAN is mandatory for local authorities.

All public sector internal audit services are required to assess their performance on conforming to the Standards and this can be achieved by undertaking periodic self-assessments, or external quality assessments, or a combination of both methods. However, the PSIAS stipulates that an external quality assessment (EQA) by an external reviewer must be undertaken at least once in a five-year period. This can be in the form of a full assessment or the validation of the internal audit service's own self-assessment.

2. Background

- 2.1 Haringey Council's Internal Audit Service is managed by the Head of Audit and Risk Management and is supported by a Deputy Head of Audit and Risk Management. At the time of the EQA, Internal Audit were providing internal audit services to the Council and were also carrying out all of the audits for Homes for Haringey, the Council's Housing arm's length management organisation (ALMO) although this would be ceasing operation during 2022 and transferring back under direct management by the Council. All planned audits are undertaken by the Council's delivery partner, Mazars LLP (Mazars), through the London Borough of Croydon's APEX contract. Both the Head of Audit and Risk Management and the Deputy are very experienced internal audit professionals who hold chartered level professional accountancy and internal audit qualifications, as required by the Standards.
- 2.2 Operationally, the Head of Audit and Risk Management reports directly to the Director of Finance (Section 151 Officer) and has direct access to the Chief Executive and the Chair of the Corporate Committee. Regular reports are made to the Corporate Committee on the progress being made on the delivery of the audit plan, including any changes made to the plan, plus the Head of Audit and Risk Management's annual outturn report and opinion.
- 2.3 The Service has been operating under PSIAS since its launch in 2013, and this is the second external quality assessment that they have commissioned.
- 2.4 The Service relies on its delivery partner, Mazars, to undertake its planned audits. They use standard templates for their engagement working papers and testing schedules, engagement terms of reference, action plans and audit reports. All working papers are held in Mazar's audit management system. Supervision of the live audit engagements is carried out by Mazars' managers who also ensure that draft audit reports are produced for the Deputy Head of Audit and Risk Management to review and quality check.

3. Validation Process

3.1 The self-assessment validation comprises a combination of a review of the evidence provided by the Service; a review of a sample of completed internal audit engagements, chosen by the assessor; survey questionnaires that were sent to and completed by a range of stakeholders; and virtual interviews using MS Teams with the Council's Section 151 Officer, the Chair of the Corporate Committee, the Head of Legal and Governance (Monitoring Officer); the Head of Information Technology and the Head of Organisational Resilience, and the Chair of the Audit and Risk Committee for Homes for Haringey. The questionnaire and interviews focussed on determining the strengths and weaknesses of Internal Audit and assessed the Service against the four broad themes of purpose and positioning within the organisation(s); their structure and resources; audit execution; and impact on the respective organisations.

3.2 The Service provided a comprehensive range of documents that they used as evidence to support their self-assessment, and these were available for examination prior to and during this validation review. These documents included the:

- self-assessment against the Standards and the CIPFA Local Government Application Note;
- documentary evidence used to support the self-assessment;
- the audit charters;
- the annual reports and opinions;
- the audit plans and strategies;
- progress and other reports to the Corporate Committee and the Audit committee for Homes for Haringey;
- a sample of planned audits for the Council and Homes for Haringey.

All the above documents were examined during this EQA.

3.3 The validation process was carried out during March and April 2022.

4. Opinion

It is our opinion that the Internal Audit Service's self-assessment is accurate and, as such, we conclude that Internal Audit FULLY CONFORMS to the requirements of the Public Sector Internal Audit Standards and the Local Government Application Note.

The table below shows Internal Audit's level of conformance to the individual standards assessed during this external quality assessment:

Standard / Area Assessed	Level of Conformance
Mission Statement	Fully Conforms
Core principles	Fully Conforms
Code of ethics	Fully Conforms
Attribute standard 1000 - Purpose, Authority and Responsibility	Fully Conforms
Attribute standard 1100 - Independence and Objectivity	Fully Conforms
Attribute standard 1200 - Proficiency and Due Professional Care	Fully Conforms
Attribute standard 1300 - Quality Assurance and Improvement Programmes	Fully Conforms
Performance standard 2000 - Managing the Internal Audit Activity	Fully Conforms
Performance standard 2100 - Nature of Work	Fully Conforms
Performance standard 2200 - Engagement Planning	Fully Conforms
Performance standard 2300 - Performing the Engagement	Fully Conforms
Performance standard 2400 - Communicating Results	Fully Conforms
Performance standard 2500 - Monitoring Progress	Fully Conforms
Performance standard 2600 - Communicating the Acceptance of Risk	Fully Conforms

5. Areas of full conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

5.1 Mission Statement and Definition of Internal Audit

The mission statement and definition of internal audit from the PSIAS are included in the audit charter.

5.2 Core Principles for the Professional Practice of Internal Auditing

The Core Principles, taken as a whole, articulate an internal audit function's effectiveness, and provide a basis for considering the organisation's level of conformance with the Attribute and Performance Standards of the PSIAS.

From this EQA it is evident that the Service conforms to the Core Principles, and this is part of their overarching culture and underpins the way they operate.

5.3 Code of Ethics

The purpose of the Institute of Internal Auditors' Code of Ethics is to promote an ethical culture in the profession of internal auditing, and is necessary and appropriate for the profession, founded as it is on the trust placed in its objective assurance about risk management, control, and governance. The Code of Ethics provides guidance to internal auditors and in essence, it sets out the rules of conduct that describe behavioural norms expected of internal auditors and are intended to guide their ethical conduct. The Code of Ethics applies to both individuals and the entities that provide internal auditing services.

From this EQA it is evident that the Service conforms to the Code of Ethics, and this is part of their overarching culture and underpins the way they operate.

5.4 Attribute Standard 1000 – Purpose, Authority and Responsibility

The purpose, authority and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards and the Definition of Internal Auditing). The internal audit charter must be reviewed regularly and presented to senior management and the audit panel for approval.

The Internal Audit Service has an audit charter in place for the Council and a separate one for Homes for Haringey. We reviewed these and the processes used to present them to the respective committees for approval. We found the audit charters covered the main elements of attribute standard 1000 and the LGAN and, as such, are fit for purpose.

5.5 Attribute Standard 1100 – Independence and Objectivity

Standard 1100 states that the internal audit activity must be independent, and internal auditors must be objective in performing their work.

The need for independence and objectivity is understood by the Head of Audit and Risk Management and the Deputy Head of Audit and Risk Management, forms an integral part of their culture and working practices, and is covered in the audit charter. The Head of Audit and Risk Management reports in his own name and directly to the Council's senior management team (SMT) and the Corporate Committee. Similar arrangements are in place at Homes for Haringey. Both officers sign a declaration of interest each year and declare any potential impairment to independence or objectivity. All employees of Mazars that work on the Haringey contract are required to conform to the Mazars' code of ethics and operating practices regarding independence and objectivity. Notwithstanding the above, it is good practice to

include a statement in the annual report to confirm that there have not been any impairments to their independence, or that of the delivery partner, during the year covered by the report. Alternatively, if there have been impairments, include a statement that sets out what they were, and the action that was taken by the Service to manage the scenario.

We have reviewed the current audit charter, the annual report and opinion, the Service's methodologies and standard documentation, a sample of completed audits, and the Service's reporting lines and positioning within Council and Homes for Haringey. We are satisfied that the Internal Audit Service conforms with attribute standard 1100 and the LGAN. We have, however, made one observation of good practice in section 8 of the report regarding the inclusion of a statement in the annual report on impairments to independence. **(Action 1)**

5.6 Attribute Standard 1200 – Proficiency and Due Professional Care

Attribute standard 1200 requires the Internal Audit Service's engagements are performed with proficiency and due professional care, having regard to the skills and qualifications of the staff, and how they apply their knowledge in practice.

It is evident from this EQA that Internal Audit and its delivery partner are an experienced, professional and competent Service. The Council currently uses Mazars as its delivery partner and they have been procured through the Croydon APEX contract which currently runs until 2024. Although there is an option for Croydon to extend this contract for a further two years, there is no guarantee that they will wish to do this or indeed that Mazars will wish to remain the preferred supplier. If the contract is terminated by either party in 2024, the Council may find itself in a position where it does not have any resources to deliver the internal audit service. The lead time for procuring another delivery partner or indeed bringing the delivery service back in-house can be quite a lengthy process and, as such, it would be prudent for the Head of Internal Audit and Risk Management to start to explore the options available to the Council should the scenario arise in 2024 and to draw up an appropriate contingency plan. We have made one suggestion in section 8 of this report for this observation. **(Action 2)**

In the self-assessment, the Head of Audit and Risk Management has identified the need to expand the use of data analytics during the audits and intends to discuss this with the delivery partner. There are many advantages to using electronic methods to audit systems that involve large amounts of data held in electronic formats as it not only frees up resources to undertake audits that can only be audited by manual methods, but it also provides enhanced confidence and assurance by facilitating the testing of all the transactions and records in a data base rather than just a sample. As the Service has already identified this observation, we have not included an action in section 8 of the report. It is evident from this review that the Service performs their duties with due professional care and, as such, they conform to attribute standard 1200 and the LGAN.

5.6 **Attribute Standard 1300 – Quality Assurance and Improvement Programmes**

This standard requires the Head of Audit and Risk Management to develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.

The Internal Audit Service has an effective quality assurance process in place that ensures engagements are performed to an acceptable standard within the available resources. This is supported by assessments of the Service's compliance with the Standards through periodic self-assessment and the quinquennial external quality assessment. In the self-assessment, the Service has identified an issue relating to the delivery partner not providing the required data to enable the Head of Audit and Risk Management to assess their performance against the performance indicators set out in the operating protocol. The provision of relevant and timely information relating to performance is a key element to assessing an internal audit service's performance. As the Service have already identified this observation, we have not included an action in section 8 of the report, however, they should ensure that it is added to the Service's quality assurance and improvement programme.

It is evident from this review that the Service performs their duties with due professional care and, as such, they conform to attribute standard 1300 and the LGAN.

5.7 **Performance Standard 2000 – Managing the Internal Audit Activity**

The remit of this standard is wide and requires the Head of Audit and Risk Management to manage the internal audit activity effectively to ensure it adds value to its clients. Value is added to a client and its stakeholders when internal audit considers their strategies, objectives, and risks; strives to offer ways to enhance their governance, risk management, and control processes; and objectively provides relevant assurance to them. To achieve this, the Head of Audit must produce an audit plan for each client, and communicate this and the Service's resource requirements, including the impact of resource limitations, to senior management and the Audit Committee for their review and approval. The Head of Audit and Risk Management must ensure that Shared Internal Audit Services' resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.

The standard also requires the Head of Audit and Risk Management to establish policies and procedures to guide the internal audit activity, and to share information, coordinate activities and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimise duplication of efforts.

Last, but by no means least, the standard requires the Head of Audit and Risk Management to report periodically to senior management and the Audit Committee on internal audits activities, purpose, authority, responsibility, and performance relative to its plan, and on its conformance with the Code of Ethics and the Standards. Reporting must also include significant risk and control issues, including fraud risks, governance issues and other matters that require the attention of senior management and/or the audit committees.

The Internal Audit Service has methodologies in place that meet the requirements of the PSIAS. They have developed comprehensive planning processes that take into

consideration the client's risks, objectives, and governance frameworks; other relevant and reliable sources of assurance; any key issues identified by service managers; their own audit universe and risk and audit needs assessments; and the resources that are available to undertake the audits. From this information, they produce audit plans that are designed to enhance the client's risk management and governance frameworks and control processes; and provide them with objective and relevant assurance. The audit plan for the Council is reviewed and approved by SMT and the Corporate Committee, and by SMT and the Audit Committee for Homes for Haringey.

Details of the completed audits and the risk and control issues found, together with the progress being made on delivering the audit plan and the performance of the Service, is regularly reported to the Council's Corporate Committee, or in the case of Homes for Haringey, their Audit Committee, together with the annual reports and opinions at the end of the year.

The clear indication from this EQA is the Internal Audit Service is managed effectively and conforms to standard 2000 and the LGAN.

5.8 **Performance Standard 2100 – Nature of Work**

Standard 2100 covers the way the internal audit activity evaluates and contributes to the improvement of the organisation's risk management and governance framework and internal control processes, using a systematic, disciplined and risk-based approach.

This is the approach adopted by the Internal Audit Service. During this EQA, we selected a sample of completed audit engagements and examined them to see if they conformed to standard 2100. We found that the sample audits complied with both.

Internal audit's credibility and value is enhanced when auditors are proactive, and their evaluations offer new insights and consider future impact on the organisation. Overall, the feedback from the interviewees was good with clients valuing the professional and objective way the Service fulfilled its role in carrying out audit reviews and investigations.

From the audit planning process, it is evident that Internal Audit takes into consideration the key risks from the Council's risk registers,

Notwithstanding the observations above, the indication from this EQA is that Internal Audit does, overall, conform to performance standard 2100 and the LGAN.

5.9 **Performance Standard 2200 – Engagement Planning**

Performance standard 2200 requires internal auditors to develop and document a plan for each engagement, including the engagement's objectives, scope, timing, and resource allocations. The plan must consider the organisation's strategies, objectives, and risks relevant to the engagement.

The Service's delivery partner has a set of standard documents in place that are underpinned by sound audit methodologies, all of which ensure that audit engagements are planned effectively. Their methodologies cover most aspects required by standard 2200 although the audit terms of reference could be enhanced by the addition of an indicative distribution list for the final audit report. There is one

suggested enhancement included in section 8 of this report relating to this standard.
(Action 3)

During this EQA, we selected a sample of completed audit engagements and found they all conformed to the Standards. We therefore conclude that the Service conforms to performance standard 2200 and the LGAN.

5.10 Performance Standard 2300 – Performing the Engagement

Performance standard 2300 seeks to confirm that internal auditors analyse, evaluate and document sufficient, reliable, relevant, and useful information to support the engagement results and conclusions, and that all engagements are properly supervised.

During this EQA, we selected a sample of completed audit engagements and examined them to see if they conformed to the Standards. We found that they all conformed to the Standards and therefore we conclude that Internal Audit conforms to performance standard 2300 and the LGAN.

5.11 Performance Standard 2400 – Communicating Results

This standard requires internal auditors to communicate the results of engagements to clients and sets out what should be included in each audit report, as well as the annual report and opinion. When an overall opinion is issued, it must take into account the strategies, objectives and risks of the clients and the expectations of their senior management, the audit committees and other stakeholders. The overall opinion must be supported by sufficient, reliable, relevant, and useful information. Where an internal audit function is deemed to conform to the PSIAS, reports should indicate this by including the phrase “conducted in conformance with the International Standards for the Professional Practice of Internal Auditing”.

The audit methodologies in place within the Service cover the communication of results and these meet the requirements of the PSIAS. We selected a sample of completed audit engagements and examined them to see if they conformed to the Standards and found that they all did although the audit reports could be enhanced by the addition of a distribution list for the final audit report. We have made one suggestion in the action plan in section 8 of the report relating to this observation.
(Action 4)

We therefore conclude that the Internal Audit Service conforms to performance standard 2400 and the LGAN.

5.12 Performance Standard 2500 – Monitoring Progress

There is a follow-up process in place to monitor management’s progress towards the implementation of agreed actions. The results of the follow-up reviews are reported to the Corporate Committee for the Council and to the Audit committee for Homes for Haringey. From this EQA, it is evident that the Service conforms to performance standard 2500 and the LGAN.

5.13 Performance Standard 2600 – Communicating the Acceptance of Risk

Standard 2600 considers the arrangements which should apply if the Head of Audit and Risk Management has concluded that management has accepted a level of risk that may be unacceptable to the respective organisations.

If such a scenario was to arise, the Head of Audit and Risk Management would raise the matter with the Section 151 Officer and if necessary, through to the Chief Executive and the Corporate Committee for the Council, and to the SMT, Board and the Audit Committee for Homes for Haringey. Situations of this kind are expected to be rare, consequently, we did not see any evidence of these during this EQA. From this external quality assessment, it is evident that the Service conforms to performance standard 2600 and the LGAN.

6. Areas of partial conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

6.1 There are no areas of partial conformance with the Public Sector Internal Audit Standards

7. Areas of non-conformance with the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note

7.1 There are no areas of non-conformance with the Public Sector Internal Audit Standards.

8. Action Plan

1. Include a statement of impairments to independence in the annual report (Advisory)	
Rationale	Agreed Action
<p>The audit charter underpins the work of internal audit and sets out the independence and objectivity of the Internal Audit Service. The audit charter is a forward-looking document, whereas the Head of Audit and Risk Management’s annual report and opinion looks back at the work of Internal Audit in the year just finished. It is therefore good practice to include a statement in the annual report to confirm that there have not been any impairments to the independence and objectivity of the Service. Alternatively, if there have been any impairments, the annual report should set these out together with the action that was taken. At present a statement is not included to confirm that there have not been any impairments. We suggest that consideration is given to including such a statement in the annual report.</p>	Agreed
Action Responsibility	Head of Audit and Risk Management
Deadline	31 July 2022

2. Consider the options available should the London Borough of Croydon or Mazars LLP opt to terminate the APEX framework contract in 2024 and prepare a contingency plan to ensure continued delivery of an internal audit service should this happen (Advisory)	
Rationale	Agreed Action
The Council currently uses Mazars as its delivery partner and they have been procured through the Croydon APEX contract which currently runs until 2024. Although there is an option for Croydon to extend this contract for a further two years, there is no guarantee that they will wish to do this or indeed that Mazars will wish to remain the preferred supplier. If the contract is terminated by either party in 2024, the Council may find itself in a position where it does not have any resources to deliver the internal audit service. The lead time for procuring another delivery partner or indeed bringing the delivery service back in-house can be quite lengthy and, as such, it would be prudent for the Head of Internal Audit and Risk Management to start to explore the options available to the Council should the scenario arise in 2024 and to draw up an appropriate contingency plan. We have made one suggestion in section 8 of this report for this observation	Agreed
Action Responsibility	Head of Audit and Risk Management
Deadline	31 Dec 2022

3. Include an indicative distribution list for the final audit report in the audit terms of reference (Advisory)	
Rationale	Agreed Action
Include an indicative distribution list for the final audit report in the audit terms of reference. The rationale for this is to enhance transparency by ensuring that all parties involved in the audit are aware of who is expected to receive a copy of the final audit report. The list may, of course, change during the course of the audit.	Agreed
Action Responsibility	Head of Audit and Risk Management
Deadline	31 May 2022

4. Include a report distribution list in the final audit report (Advisory)	
Rationale	Agreed Action
Include a distribution list in the final audit report. The rationale for this is to enhance transparency by ensuring that all readers of the final report are aware of who has received a copy. This list may be different to the initial distribution list set out in the audit terms of reference.	Agreed
Action Responsibility	Head of Audit and Risk Management
Deadline	31 May 2022

9. Definitions

Assessment Opinion	Criteria
Fully Conforms	The internal audit service complies with the Standards with only minor deviations. The relevant structures, policies, and procedures of the internal audit service, as well as the processes by which they are applied, comply with the requirements of the Standards in all material respects with only minimal departures and minor issues to resolve.
Partially Conforms	The internal audit service falls short of achieving some elements of good practice but is aware of the areas for development. These will usually represent significant opportunities for improvement in delivering effective internal audit and conformance to the Standards.
Does Not Conform	The internal audit service is not aware of, is not making efforts to comply with, or is failing to achieve many of the elements of the Standards. These deficiencies will usually have a significant adverse impact on the internal audit service's effectiveness and its potential to add value to the organisation. These will represent significant opportunities for improvement, potentially including actions by senior management or the board.

Action Priorities	Criteria
High priority	The internal audit service needs to rectify a significant issue of non-conformance with the Standards. Remedial action to resolve the issue should be taken urgently.
Medium priority	The internal audit service needs to rectify a moderate issue of conformance with the Standards. Remedial action to resolve the issue should be taken, ideally within six months.
Low priority	The internal audit service should consider rectifying a minor issue of conformance with the Standards. Remedial action to resolve the issue should be considered but the issue is not urgent.
Advisory	These are issues identified during the course of the EQA that do not adversely impact on the internal audit service's conformance with the Standards. Typically, they include areas of enhancement to existing operations and the adoption of best practice.

The co-operation of the Audit and Risk Manager and the Deputy Audit and Risk Manager, in providing the information requested for this EQA, is greatly appreciated. Our thanks also go to the Chair of the Corporate Committee for the Council and the Chair of the Audit and Risk Committee for Homes for Haringey, and the stakeholders that made themselves available for interview and those that completed questionnaires.

Ray Gard, FCCA, FCIIA, CPFA, DMS

24th May 2022

This report has been prepared by Gard Consultancy Services Ltd at the request of Haringey Council. The matters raised are only those that came to our attention during our work. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, we have only been able to base findings on the information and documentation provided. Consequently, no complete guarantee can be given that this report is necessarily a comprehensive statement of all the issues that exist with their conformance to the Public Sector Internal Audit Standards, or all the improvements that may be required.

The report was prepared solely for the use and benefit of Haringey Council, and to the fullest extent permitted by law, Gard Consultancy Services Ltd accepts no responsibility and disclaims all liability to any other third party who purports to use or rely, for any reason whatsoever on the report, its contents, conclusions, any extract, and/or reinterpretation of its contents. Accordingly, any reliance placed on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

Internal Audit Quality Assurance and Improvement Programme



2019–2023



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Interpretation

A Quality Assurance and Improvement Programme (QAIP) enables an evaluation of the internal audit activity's conformance with the Internal Professional Practices Framework (IPPF), Definition of Internal Auditing and Standard 1300 (Quality Assurance and Improvement Programme) within the Public Sector Internal Audit Standards (PSIAS) 2017 and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity with the primary objective of the QAIP to promote continuous improvement to enable Internal Audit to meet its mission namely, to

“Deliver a forward thinking to enhance and protect organisational value by providing risk based, independent and objective assurance, consulting activity, advice and insight.”

Benefits of a QAIP

Internal Audit's QAIP is designed to provide reasonable assurance to its stakeholders that the service:

- ✓ Conforms with the mandatory guidance of the Public Sector Internal Audit Standards (PSIAS);
- ✓ Performs its work in accordance with its Charter (which is consistent with the PSIAS);
- ✓ Is perceived by stakeholders as adding value and continually improving its operations;
- ✓ Has the ability to increase the credibility of internal audit within the organisation;
- ✓ Anticipates, meets and exceeds stakeholder expectations by offering valuable advice and insight;
- ✓ Operates in an effective and efficient manner; and
- ✓ Adds value and identifies areas for continual improvement to the services provided.

PSIAS Standard 1300

A QAIP covers the entire spectrum of assurance, consulting and fraud / irregularity work performed by the internal audit activity in accordance with the Standard 1300 (Quality Assurance and Improvement Programme), including. To implement the Standard the Chief Internal Auditor (CIA) must consider the requirements related to its four essential components:

1. Undertaking both periodic and on-going internal assessments (Standard 1311);
2. Commissioning an external assessment and communicating the results to the Corporate Committee (1312 & 1320);
3. Proper use of a conformance statement (Standard 1320 & 1321); and
4. Disclosure of non-conformance (Standard 1322).

Internal Assessments

Internal assessments are undertaken through both on-going day to day supervision of Mazars and periodic reviews of the audit work.

On-going Reviews

Continual assessments of quality are undertaken via:

- ✓ Management supervision of all audit activity and structured documented review of Terms of Reference, working papers, draft and final reports;
- ✓ Audit quality procedures for each audit engagement to ensure consistency, quality and compliance with planning, fieldwork and reporting standards;
- ✓ Feedback from audit clients obtained through surveys at the closure of each engagement;
- ✓ Post audit evaluations undertaken at the end of each audit activity to identify trends and any learning and development needs;
- ✓ Monitoring of internal performance targets and quarterly reporting to Senior Management and Corporate Committee;
- ✓ High priority recommendation monitoring process in place to ensure implemented; and

Internal Audit Quality Assurance and Improvement Programme (QAIP) Framework

- ✓ Follow up audits undertaken where a limited assurance opinion on the control environment provided.

Periodic Reviews

Periodic assessments are conducted via:

- ✓ Annual Risk Based Internal Audit Plan developed. This is dynamic and changes in year due to risk, consultancy, irregularity and assurance needs;
- ✓ Quarterly Progress Reports presented to the Corporate Committee which includes progress against the annual plan, reports issued during the period including details of the risk and control opinions and summaries of key issues and outcomes from the work undertaken in the period, including fraud and irregularity work;
- ✓ Annual self-assessment of conformance with the PSIAS and annual review of compliance against the requirements of the QAIP, the results of which are reported to Senior Management and the Corporate Committee;
- ✓ Feedback from Director of Finance and Chair of the Corporate Committee on the CIA's performance; and
- ✓ Annual Satisfaction Surveys to key stakeholders.

External Assessment

In addition to internal assessments, the CIA is responsible for ensuring that the internal audit activity conducts an external assessment at least once every five years.

The purposes of the assessment, which must be performed by an independent assessor or assessment team from outside the organisation, is to validate whether the internal audit activity conforms with the Standards and whether internal auditors apply the Code of Ethics.

A self assessment may be performed in lieu of a full external assessment, provided it is validated by a qualified, independent, competent and professional assessor.

Internal Audit Quality Assurance and Improvement Programme (QAIP) Framework

The review undertaken during 2015 by an independent assessor included a review of the team's conformance to the International Professional. The independent assessment identified conformance and reported the outcomes to the Audit and Risk Committee in Sept 2015.

The Corporate Committee was advised an External Assessment was overdue and that it would be conducted in the 2022/23 financial year. The outcome will be reported to the Committee once the external assessment completed.

Responsibility / Communication of QAIP Results

The CIA is committed to continuous improvement and is responsible for implementing the QAIP and will ensure that the results of this programme are communicated to the Corporate Board and the Corporate Committee (as defined within the Charters). However, everyone within Internal Audit have responsibility for maintaining quality, therefore all activities outlined in this QAIP involve all relevant staff and Mazars. The communication of QAIP results will include:

- ✓ The outcomes in respect of both internal and external assessments;
- ✓ The internal audit service will only communicate that the internal audit activity conforms with International Standards for the Professional Practice of Internal Auditing, if results of both the QAIP's internal and external assessments support such a statement; and
- ✓ Any non-conformance with the IPPF's mandatory elements of the standards, their impacts and improvement plans.

Appendix 1: Internal Audit service QAIP and performance monitoring arrangements.

To provide maximum assurance to inform the annual audit opinion	
Measure of assessment	Reporting
<p>Risk Based Internal Audit Plan and Delivery</p> <p>To undertake a risk based annual plan formulation exercise by risk assessment meetings with appropriate directors and / or their management teams based on their need for assurance or key risks.</p> <p>Deliver an effective and appropriately resourced Internal Audit function in line with the Accounts and Audit Regulations and provide an annual Audit opinion.</p>	<p>Annually to Senior Management and the Corporate Committee. Changes reported as they arise during the year.</p> <p>Provision of an internal audit service in compliance with the PSIAS including reporting audit opinion on the internal audit, risk management and governance as set out in the Corporate Committee’s terms of refence.</p>
<p>Planned Audit Activities Completed</p> <p>Hold regular contract monitoring meetings with Mazars to monitor the delivery of the annual internal audit plan.</p>	<p>Report from Mazars setting out the status of audits to the Statutory Functions Board and the Corporate Committee on a regular basis.</p>

To provide maximum assurance to inform the annual audit opinion	
Measure of assessment	Reporting
<p>Counter Fraud and Investigation Activity</p> <p>Deliver a comprehensive Counter Fraud and Investigations Service.</p>	<p>Outcomes form part of Quarterly and Annual Internal Audit report which is presented to Senior Management and the Corporate Committee.</p>
<p>Priority Recommendations</p> <p>Where a priority 1 or 2 recommendation is raised, the recommendations are followed up and reported to the Statutory Functions Board and the Corporate Committee.</p>	<p>Annual report to Senior Management and the Board.</p> <p>Quarterly progress reports to the Board.</p>

To ensure that the service is customer focused, adds value and continually improves	
Measure of assessment	Reporting
<p>Post Audit Customer Satisfaction Survey Feedback</p> <p>Seek management assessment of the audit process by issuing post audit customer satisfaction survey feedback form which are to be sent directly to the Head of Audit.</p>	<p>Annual report to Statutory Functions Board and the Corporate Committee.</p>
<p>Acceptance of Recommendations</p> <p>Percentage of high / medium recommendations accepted which evidences added value in risk mitigation.</p>	<p>Analysis of recommendations raised by priority including a review of recommendations not accepted where relevant. Annual report to Statutory Functions Board and the Corporate Committee.</p>
<p>Audit Reports</p> <p>Audit report ‘corporate’ circulation list implemented to enable risks / issues / recommendations to feed back into business as usual i.e. via Finance, Performance and Change to enable the management of risk by management.</p>	<p>Corporate circulation list agreed and implemented.</p>
<p>Internal Audit’s Strategic Plan</p> <p>Maintain a record of all audits carried out over the last five years and share with Directors as record of audits completed.</p>	<p>Share as part of the annual audit plan and as and when required.</p>

To ensure the service embeds and reflects organisational values	
Measure of assessment	Reporting
<p>Staff Behaviours and Values - Accountability, Integrity, Empowerment, Respect and Excellence</p> <p>All Audit and Risk Management officers (including Mazars) to consider and apply organisational values to their dailyworking behaviours and approach e.g. to:</p> <ul style="list-style-type: none"> ✓ Human: We care - Treating everyone with a high level of respect is an absolute must-have trait of human leadership and reflects a culture where I want to work. ✓ Ambitious: We push the boundaries - It's a drive to succeed both within yourself and for the council, and a desire to do my very best for residents. ✓ Accountable: We take responsibility - This applies to any scenario when we are dealing with customers throughout the council, whether they are internal or external - it's important to keep them updated and deliver excellent service. ✓ Professional: We are Haringey's ambassadors - being professional means providing a high standard of service consistently to all of our customers - with a smile 	<p>Monitored at 121s and Performance Development Plans.</p>

Appendix 2: Internal Audit Service Improvement Plan

Improvement Plan 2019/2020 onwards

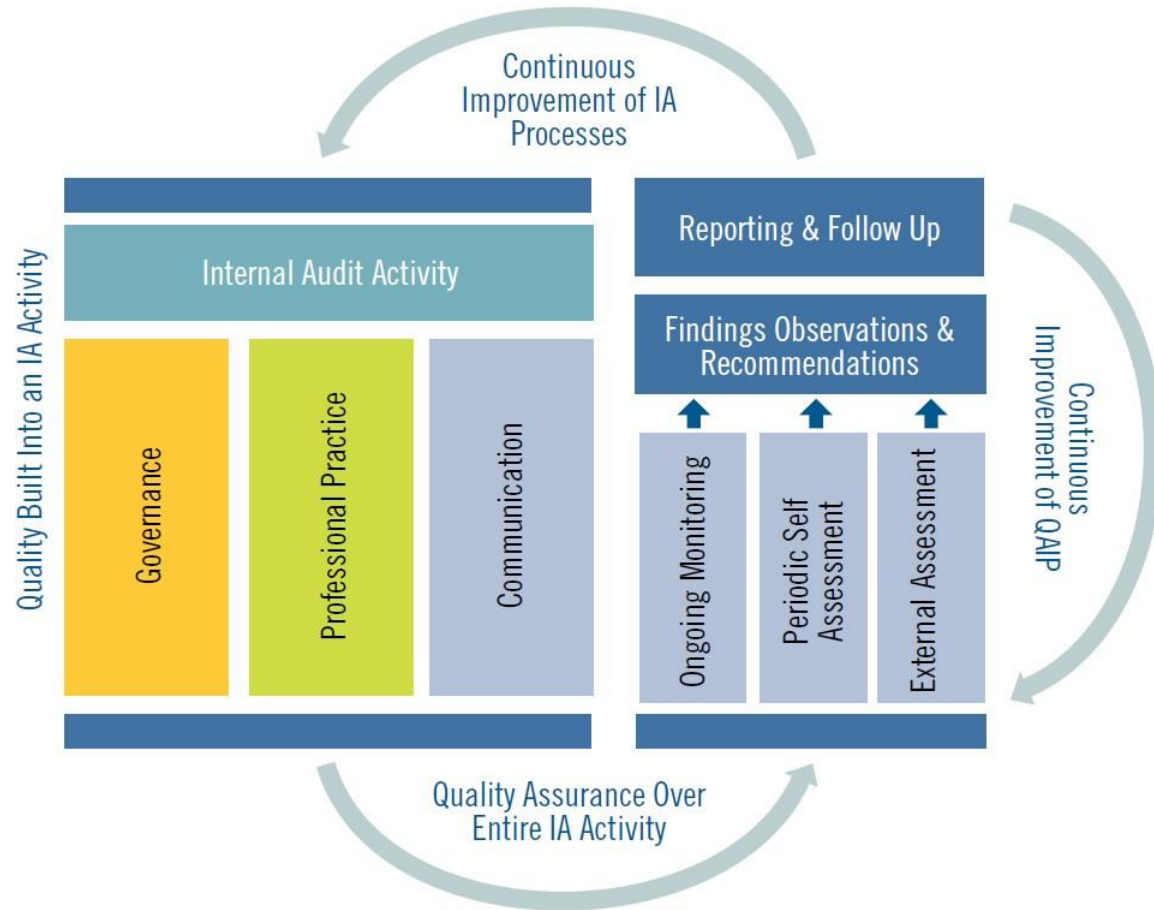
	Opportunities for Improvement / Actions	Responsible Officer(s)	Timescale
1.	<p>Personal Development – Fraud Officer</p> <p>To undertake external training to enhance the work of the team, based on the outcome of consultations with the team.</p>	CIA	With effect from 1 st April 2019
2.	<p>Annual presentation of the Internal Audit Charter and Strategy to Corporate Committee</p> <p>To continue to promote the role, purpose, status and authority of Internal Audit within the organisation and explain how Internal Audit supports effective corporate governance.</p>	CIA	With effect from 1st April 2019
3.	<p>Succession Planning</p> <p>To review the structure of the team and appoint a deputy HOA enable more effective succession planning and support ongoing resilience and sustainability whilst allowing the team to engage in consultancy audits.</p>	CIA	1st December 2019

	Opportunities for Improvement / Actions	Responsible Officer(s)	Timescale
4.	<p>Audit Process - Clarity</p> <p>The audits take a lot longer to complete as the auditors and management are not clear about the process and how the audit is to be carried out.</p> <p>Develop a clear and unambiguous statement of the audit process that is circulated to management at the start of the audit.</p>	CIA	1 April 2020
5.	<p>Audit Process – Clarity</p> <p>To review and refine the audit terms of reference so that it becomes more risk focused and to review and refresh the assignment report so that it clearly provides the audit opinion and the reasons for the opinion in a systematic manner.</p>	CIA	1 April 2020
6.	<p>Follow Up – Repeat Recommendations</p> <p>It was noted a number of recommendations were not implemented in a timely manner, consequently, the follow up regime needs to be strengthened by tracking the implementation of recommendations.</p>	CIA	30 Sept 2022
7.	<p>PSIAS – External Assessment</p> <p>The external assessment for compliance with the Public Sector Internal Audit Standards is overdue. Report this to the Corporate Committee and arrange for the assessment to be completed promptly.</p>	CIA	31 March 2022
8.	<p>Team Structure / Vacancy</p> <p>There is a vacancy in the fraud team that creates an opportunity to review the current structure and consider appointment of apprentices / change of role.</p>	CIA	30 Sept 2022

	Opportunities for Improvement / Actions	Responsible Officer(s)	Timescale
9.	<p>In-Case Anti Fraud System</p> <p>The new system has been implemented and replaces the Civica system which had numerous short comings. The new system needs to be bedded in to maximise its benefits.</p> <p>In addition, consider the use of IDIS to offer data matching and proactive fraud system benefit.</p>	CIA	31 March 2023
10.	<p>Delivery of Audit Plan</p> <p>Covid has disrupted the timely deliver of the audit plan. Discuss arrangements for the delivery of the audit plan with Mazars by considering a change in the profiling of audit work.</p>	CIA	31 March 2023
11.	<p>Include a statement of impairments to independence in the annual report (Advisory)</p> <p>Include a statement in the annual report to confirm that there have not been any impairments to the independence and objectivity of the Service. Alternatively, if there have been any impairments, the annual report should set these out together with the action that was taken.</p>	CIA	31 July 2022
12.	<p>Consider the options available should the London Borough of Croydon or Mazars LLP opt to terminate the APEX framework contract in 2024</p> <p>Explore the options available to the Council should the scenario arise in 2024 and to draw up an appropriate contingency plan.</p>	CIA	31 Dec 2022

	Opportunities for Improvement / Actions	Responsible Officer(s)	Timescale
13.	<p>Include an indicative distribution list for the final audit report in the audit terms of reference (Advisory)</p> <p>Include an indicative distribution list for the final audit report in the audit terms of reference.</p>	CIA	31 May 2022
14.	<p>Include an indicative distribution list for the final audit report in the audit terms of reference (Advisory)</p> <p>Include a distribution list in the final audit report.</p>	CIA	31 May 2022

Appendix 3: Internal Audit QAIP framework.



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Report for: Corporate Committee – 21 July 2022

Title: Council Insurance Arrangements following Transfer of Homes for Haringey from 1 October 2022

Report authorised by : Director of Finance

Lead Officer: Minesh Jani, Head of Audit and Risk Management
Tel: 020 8489 5973
Email: minesh.jani@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision: Information**

1. Describe the issue under consideration

- 1.1 This paper sets out the arrangements to manage the Council's insurable financial risks following the transfer of functions previously carried out by Homes for Haringey's ("HfH") to the Council's. The Council's Insurance service is responsible for managing the Council's insurance policies and the management of any insurance claims.
- 1.2 The paper sets out the financial implications of remodelling the insurable financial risks of services previously under the auspices of HfH.

2. Cabinet Member Introduction

- 2.1 Not applicable.

3. Recommendations

- 3.1 To note the arrangements put in place to manage the insurable financial risks using insurance arrangements for functions previously managed under by Homes for Haringey (HfH).

4. Reasons for decision

- 4.1 The Corporate Committee's terms of reference includes seeking assurances over the Council's arrangements for the management of insurance risks.

5. Alternative options considered

- 5.1 Not applicable.

6. Background information

- 6.1 The insurance arrangements for managing insurable risks are very different for the Council and HfH. HfH have "ground up" insurance cover for their Public Liability (PL) and Employer's Liability (EL) liability claims, i.e. there is no policy

excess. This means once HfH has paid its premium to the insurer (Aspen), any cost of claims is met by Aspen in full. Aspen have appointed Phoenix, an external claims management company to manage all of Aspen's claims, and charge for this service on a claim by claim basis. The cost of managing claims is charged to Aspen. The Council's insurance section assists Phoenix by collecting information and documents from HfH relevant to a claim and passing that on to Phoenix. This is to ensure Phoenix is provided with information in a timely manner to resolve claims quickly and limit third party costs. Under this "ground up" cover arrangement, HfH avoids the need to manage claims themselves, but in so doing pays a significant premium (see analysis below).

- 6.2 In contrast, the Council's current insurance arrangement has a policy excess of £500,000 for its PL and EL claims; the Council is therefore liable for the costs of any claim reserved below £500,000. The Insurance section's claims team is responsible for managing all claims received by the council.
- 6.3 In reality, it is an uncommon occurrence for a claim to be in excess of £500,000; there have been no claims of £500,00 or over in the last five policy years. Most, if not all claims are dealt with by the insurance team. The advantage of this arrangement is the premiums paid by the local authority are significantly lower as the insurer's risk assessment recognises only exceptional claims will be referred to them.

Impact of Transition of HfH to the Council

- 6.4 From 1 June 2022, most HfH's operations and employees transferred to Haringey Council. Following negotiations with HfH's insurers, the insurers have continued to provide liability cover for HfH based services and operations until 30 September 2022 (the period of the policy cover). Consequently, claims for accidents involving HfH based services up to and including 30 September 2022 will continue to be managed by Phoenix and Aspen, as Insurers.
- 6.5 Haringey Council's liability insurance policies will respond to claims resulting from accidents arising from HfH operations on 1 October 2022 and thereafter. With the £500,000 policy excess on each and every claim brought against the Council, these claims will all be managed by the insurance section's claims team. Again, there have been no HfH liability claims exceeding the £500,000 threshold so it is expected that all claims spend for accidents after 1 October 2022 will need to be met by the Council's Insurance Fund and managed by the insurance claims team.
- 6.6 The split between Public Liability claims and Employer's Liability claims is consistent with the Council's claims experience, i.e. the vast majority of claims fall under the PL policy.
- 6.7 PL claims based on HfH operations are commonly centred around the following issues:
- Injuries caused by slips and trips in common areas;
 - Injuries caused at a resident's home due to a failure by HfH to repair internal or external defects;

- Disease based claims resulting from mould or damp issues within a resident's property;
 - Property damage to a resident's personal belongings due to a failure by HfH to repair internal or external defects;
 - Property damage or injuries caused by HfH operatives during the course of completing repairs at a resident's property.
- 6.8 Employer's Liability claims are generally based on slips and trips or manual handling injuries during the course of employment. More complex claims involving stress or disease are less common but are more expensive when they do occur.
- 6.9 HfH has a large motor vehicle fleet and these claims are currently managed by their motor insurers with administrative support such as providing accident circumstances/driver information by the insurance section. Once HfH operations are transferred to Haringey Council, these claims will be managed by the insurance section.

Implications of Insourcing HfH Insurance

- 6.10 HfH's insured risks will transfer to the Council's liability and motor policies from 1 October 2022. A separate policy will not be required.
- 6.11 It is projected most of claims arising out of HfH operations post 1 October 2022 will fall within the Council's liability policy excess of £500,000. Haringey Council's policy premiums will increase to take account of the increased risks from the transfer of HfH employees and operations though the increase in premium will be more than offset by the HfH not purchasing its own insurances.
- 6.12 The Insurance section will require an increase in claims handling personnel to manage the increase in additional claims and associated tasks which post-date 1 October 2022. Currently, the insurance team establishment comprises the Risk & Insurance Manager, two Senior Claims Handlers and two Insurance Assistants. An assessment has been carried out and the team will require an additional Claims Handler and an Apprentice to join the Senior Claims Handler in managing all future claims effectively.
- 6.13 The team will also employ a Risk Officer to assess and manage enterprise risk council wide and to drive improvements in Council operations and to improve the Council's claim record.
- 6.14 Finally, there is also an implication for the Insurance Fund. The Council maintains an Insurance Fund to allow it to respond to future claims. The Insurance Fund will need to be created to ensure funds are put aside to respond to Housing related claims, this has not been necessary to date as all claims are the responsibility of the Aspen (they will have a fund for claims that may arise up to the point of transfer). The level of fund required will continue to be monitored. As a working hypothesis, it is suggested building that fund over two years.

7. Contribution to strategic outcomes

- 7.1 The work of the insurance team helps manage the Council's financial risks. The insourcing of HfH into the Council has been appraised and arrangements put in place to maximise the benefits from the policies purchased by HfH. This paper also sets out plans for managing the Council's insurable financial risks from 1 October 2022 to allow the Council to achieve its strategic aims.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance and Procurement

The financial implications of the proposed insurance arrangements for services transferred into the Council from HfH has been summarised in Section 6 of this report. The financial impact on the Housing Revenue Account (HRA) is expected to be cost neutral, at least in the first two years as the saving on the HfH premiums, after paying claims and increased resourcing costs, will be used to build up the Insurance Fund to a sufficient level. However, there may be an ongoing saving to the HRA after this level has been reached.

8.2 Legal

- 8.2.1 The Head of Legal Services has been consulted. Officers have confirmed that the Council's existing insurance policy was procured on the basis that cover would include the Council's expanded Housing function following the insourcing of housing services that had been provided by Homes for Haringey until 1 June 2022. Accordingly, officers have confirmed that there are no procurement implications and that there are no additional financial implications arising in this case.

- 8.2.2 Under the Council's Financial Regulations, the Corporate Committee is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management and the s151 officer is responsible for ensuring that proper insurance is in place. This report informs the Corporate Committee of those arrangements and demonstrates compliance with the Council's responsibilities in relation to the maintenance of satisfactory insurance arrangements. Accordingly, the Head of Legal Services is satisfied that the steps noted in the report are required so that the Council complies with its duties.

8.3 Equality

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;

- foster good relations between people who share those characteristics and people who do not.

9. Use of Appendices

Not applicable

10. Local Government (Access to Information) Act 1985

Not applicable.

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Report for: Corporate Committee – 21 July 2022

Title: Corporate Committee Member Skills Matrix

Report authorised by: Assistant Director of Corporate Governance

Lead Officer: Minesh Jani, Head of Audit and Risk Management
Tel: 020 8489 5973
Email: minesh.jani@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non Key Decision

1. Describe the issue under consideration

1.1 Following the recent member training on 5 July 2022 and requirements set out in the publication of the Audit Committee – Practical Guidance for Local Authorities and Police 2018 in May 2018, this report seeks feedback from members of the committee and its training needs. This information will be used to specify the training needs of the committee to allow the Corporate Committee to fulfil its remit.

2. Cabinet member introduction

2.1 Not applicable.

3. Recommendations

Corporate Committee is asked:

3.1 To note the contents of this report.

3.2 That members of the committee complete the skills matrix online using a link that will be sent separately by Democratic Services. The link will mirror the areas set out on the skills matrix attached to this report. Members are asked to complete the skills matrix by 31 August 2022.

4. Reasons for decision

4.1 The Corporate Committee's responsibility are set out under Part Three, Section B, Responsibility for functions: Full Council & Non-Executive Bodies of the constitution. To maintain the effectiveness of the Committee, members of the committee are asked to provide feedback on their training needs as part of continuous development of committee members.

5. Alternative options considered

5.1 Not applicable.

6. Background information

6.1 The information in this report has been compiled from information held within Audit & Risk Management.

7. Contribution to strategic outcomes

7.1 An effective Corporate Committee will contribute to the creation of a positive culture and good governance.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance and Procurement

There are no immediate financial comments arising from this report. Following completion of the assessment, members of the Committee may receive training, which if procured from an external provider, will result in a small cost to the authority that will be met from the existing members' training budget.

8.2 Legal

The Council's Head of Legal Services has been consulted in the preparation of this report and has no comments.

8.3 Equality

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not.

9. Use of Appendices

Appendix A - Skills Matrix for Corporate Committee Members

10. Local Government (Access to Information) Act 1985

Not applicable.

London Borough of Haringey - Skills Matrix for Corporate Committee Members

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
Organisational knowledge	<ul style="list-style-type: none"> • An overview of the governance structures of the authority and decision-making processes • Knowledge of the organisational objectives and major functions of the authority 	<ul style="list-style-type: none"> • This knowledge will be core to most activities of the audit committee including review of the AGS, internal and external audit reports and risk registers 		
Audit committee role and functions (part of Corporate Committee)	<ul style="list-style-type: none"> • An understanding of the audit committee’s role and place within the governance structures. Familiarity with the committee’s terms of reference and accountability arrangements • Knowledge of the purpose and role of the audit committee 	<ul style="list-style-type: none"> • This knowledge will enable the audit committee to prioritise its work in order to ensure it discharges its responsibilities under its terms of reference and to avoid overlapping the work of others 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
Corporate Governance	<ul style="list-style-type: none"> • Knowledge of the seven principles of the CIPFA/Solace Framework and the requirements of the AGS • Knowledge of the local code of governance 	<ul style="list-style-type: none"> • The committee will review the local code of governance and consider how governance arrangements align to the principles in the framework • The committee will plan the assurances it is to receive in order to adequately support the AGS • The committee will review the AGS and consider how the authority is meeting the principles of good governance. 		
Internal audit	<ul style="list-style-type: none"> • An awareness of the key principles of the PSIAS (Public Sector Internal Audit Standards) • Knowledge of the arrangements for delivery of the internal audit service in the authority and how the role of the 	<ul style="list-style-type: none"> • The audit committee has oversight of the internal audit function and will monitor its adherence to professional internal audit standards • The audit committee will review the assurances from internal audit work 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
	head of internal audit is fulfilled	and will review the risk-based audit plan. The committee will also receive the annual report, including an opinion and information on conformance with professional standards <ul style="list-style-type: none"> • In relying on the work of internal audit, the committee will need to be confident that professional standards are being followed • The corporate committee chair will be interviewed as part of the external quality assessment and the committee will receive the outcome of the assessment and action plan 		
Financial management and accounting	<ul style="list-style-type: none"> • Awareness of the financial statements that a local authority must produce and the 	<ul style="list-style-type: none"> • Reviewing the financial statements prior to publication, asking questions 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
	<p>principles it must follow to produce them</p> <ul style="list-style-type: none"> • Understanding of good financial management principles • Knowledge of how the organisation meets the requirements of the role of the CFO, as required by The Role of the Chief Financial Officer in Local Government (CIPFA, 2016) and the CIPFA Statement on the Role of Chief Financial Officers in Policing (2018) 	<ul style="list-style-type: none"> • Receiving the external audit report and opinion on the financial audit • Reviewing both external and internal audit recommendations relating to financial management and controls • The audit committee should consider the role of the CFO and how this is met when reviewing the AGS 		
External audit	<ul style="list-style-type: none"> • Knowledge of the role and functions of the external auditor and who currently undertakes this role • Knowledge of the key reports and assurances that external audit will provide 	<ul style="list-style-type: none"> • The audit committee should meet with the external auditor regularly and receive their reports and opinions • Monitoring external audit recommendations and maximising benefit from audit process 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
	<ul style="list-style-type: none"> • Knowledge about arrangements for the appointment of auditors and quality monitoring undertaken 	<ul style="list-style-type: none"> • The audit committee should monitor the relationship between the external auditor and the authority and support the delivery of an effective service 		
Risk management	<ul style="list-style-type: none"> • Understanding of the principles of risk management, including linkage to good governance and decision making • Knowledge of the risk management policy and strategy of the organisation • Understanding of risk governance arrangements, including the role of members and of the audit committee 	<ul style="list-style-type: none"> • In reviewing the AGS, the committee will consider the robustness of the authority’s risk management arrangements and should also have awareness of the major risks the authority faces • Keeping up to date with the risk profile is necessary to support the review of a number of audit committee agenda items, including the risk-based internal audit plan, external audit plans and the explanatory foreword of the accounts. Typically, risk registers 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
		will be used to inform the committee • The committee should also review reports and action plans to develop the application of risk management practice		
Counter fraud	<ul style="list-style-type: none"> • An understanding of the main areas of fraud and corruption risk to which the organisation is exposed • Knowledge of the principles of good fraud risk management practice in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014) • Knowledge of the organisation’s arrangements for tackling fraud 	<ul style="list-style-type: none"> • Knowledge of fraud risks and good fraud risk management practice will be helpful when the committee reviews the organisation’s fraud strategy and receives reports on the effectiveness of that strategy • An assessment of arrangements should support the AGS and knowledge of good fraud risk management practice will support the audit committee member in reviewing that assessment 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
Values of good governance	<ul style="list-style-type: none"> • Knowledge of the Seven Principles of Public Life • Knowledge of the authority’s key arrangements to uphold ethical standards for both members and staff • Knowledge of the whistleblowing arrangements in the authority 	<ul style="list-style-type: none"> • The audit committee member will draw on this knowledge when reviewing governance issues and the AGS • Oversight of the effectiveness of whistleblowing will be considered as part of the AGS. The audit committee member should know to whom concerns should be reported 		
Treasury management	<ul style="list-style-type: none"> • Effective Scrutiny of Treasury Management is an assessment tool for reviewing the arrangements for undertaking scrutiny of treasury management. The key knowledge areas identified are: regulatory requirements • treasury risks 	<ul style="list-style-type: none"> • Core knowledge on treasury management is essential for the committee undertaking the role of scrutiny 		

Area	Details of core knowledge required	Application of knowledge	Self-assessment score 1= Very Low awareness 2= Low awareness 3= Medium awareness 4 = High awareness 5 = Very High awareness	Comment
	<ul style="list-style-type: none"> • the organisation's treasury management strategy • the organisation's policies and procedures in relation to treasury management 			
Financial Reporting	<ul style="list-style-type: none"> • An understanding of financial strategy and the financial reporting requirements. 	<ul style="list-style-type: none"> • Oversight of the Council's financial statements, the basis upon which the accounts have been prepared to allow members to engage in financial management of the Council. 		

Please send return to minesh.jani@haringey.gov.uk (Head of Audit and Risk Management)

Name of Corporate Committee member _____

Date Skills Matrix Complete _____

Report for: Corporate Committee – 21 July 2022

Title: Health, Safety and Wellbeing Policy review

Report authorised by : Susie Faulkner, Director Director of Customers, Transformation and Resources

Lead Officer: Alexis Correa, Corporate Health and Safety Manager, 020 4849 2928, alexis.correa@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non key decision

1. Describe the issue under consideration

The current Corporate Health, Safety and Wellbeing Policy is in need of review to reflect the latest changes in the Council's structure and to ensure it remains fit for purpose.

The Policy review includes changes on the health, safety and wellbeing governance structure. It also accommodates the late insourcing of Homes for Harinegy.

2. Cabinet Member Introduction

Not required for the Corporate Committee.

3. Recommendations

Corporate Committee is asked:

- 3.1 To approve the draft Corporate Health, Safety and Wellbeing Statement Policy, attached at Appendix A.
- 3.2 To authorise the Chief Executive Officer, in consultation with the Chair of the Committee, with the Corporate Health, Safety and Wellbeing Board and with the Corporate Leadership Team, to make such amendments to the policy as considered to be minor. These amendments are to be reported at the next Committee meeting.

4. Reasons for decision

- 4.1 The Corporate Health , Safety and Wellbeing Policy was reviewed to ensure it remains fit for purpose, reflecting the latest changes in Council structure.
- 4.2 There are several areas revised or added to the Policy that are intended to raise standards of safety across the Council:
 - Simplification of managers responsibilities.

- Reporting to Council Leadership Team significant health, safety and wellbeing matters, in line with current governance arrangements.
- Stating that the Corporate H&S Manager supports Director of Customer, Transformation and Resources on Corporate Health, Safety and Wellbeing Board.
- Clarification of building safety responsibilities.
- Acknowledgment of insourcing of HFH to the Council. Its insourcing will have affect on all services that interact with housing-related services but also processes and procedures will be revised to ensure they include the required organisational and governance changes, which will be progressively implemented. Further revision of this Policy may be required once the transitional period concludes and the organisational changes are implemented.
- Changes in Governance and membership of the Corporate Health, Safety and Wellbeing Board, to ensure senior management accountability.

5. Alternative options considered

Do Nothing:

- 5.1 Doing nothing would leave the Council with an out-of-date policy. The review of the Council's Health and Safety Management System, including the Corporate Health, Safety and Wellbeing Policy as its cornerstone, is part of the statutory requirement to comply with the Management of Health and Safety at Work Regulations 1999. These regulations require employers to make and give effect to such arrangements as are appropriate for the effective planning, organisation, control, monitoring and review of the measures identified by the employer in consequence of risk assessments as those it needs to take to comply with health and safety legislation. The Corporate Health, Safety and Wellbeing Policy sets out such arrangements.
- 5.2 Having an out of date policy may result in not meeting the required standard, which leaves the Council potentially liable in the case of a H&S breach resulting in an incident or accident.

6. Background information

- 6.1 The policy has been subject to internal consultation through the Council's health and safety structures. This includes engagement with the relevant Trades Unions.
- 6.2 The draft policy was endorsed by the Corporate Health, Safety and Wellbeing Board on 16/05/2022, and the Corporate Leadership Team on 10/03/2022.

7. Council's Statutory Duties

- 7.1 The Council, as an employer, has a common-law duty of care to their employees. In addition, under the Health and Safety at Work Act 1974 (HASAWA) every employer has a duty to ensure that, so far as is reasonably practicable, the health, safety and welfare of employees are protected. They must also conduct a risk assessment to identify the measures necessary to comply with the Act and other regulations.

7.2 The matters to which this duty extends include:

- plant and systems of work;
- maintenance of the place of work, including access and exit, in a safe condition; and
- provision and maintenance of a safe working environment with adequate facilities.

7.3 All employers with five or more employees must have a written health and safety policy, which must be brought to the notice of all employees. The Council's Health, Safety and Wellbeing Policy meets this requirement.

7.4 There is a further duty on the employer to ensure that the health and safety of persons other than employees who use the premises are protected.

8. Contribution to strategic outcomes

The review and approval of the Corporate Health and Safety Policy supports the way the Council Works 'We will be an able, positive workforce with the skills needed to deliver for Haringey'.

9. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance

This report requests that Corporate Committee approves the reviewed Health, Safety & Wellbeing Policy as per the recommendations set out in Section 3 of this report. This has no financial implications for the Council.

Strategic Procurement Procurement

Strategic Procurement note the contents of the report and that the report does not require a procurement decision.

Legal - Anthony Igbiniyesu Senior Lawyer Social Care and Contracts

The proposed Corporate Health, Safety and Wellbeing Statement Policy which is a revision of the current policy enables the Council to meet its obligations as an employer under section 2 (3) of the Health and Safety at Work etc Act 1974. The Council should be prepared as often as may be appropriate to revise its general policy. This to ensure that its policy is fit for purposes with respect to the health and safety at work of its employees and the arrangements for the time being in force for carrying out that policy. They also enable the Council to meet its obligations as an employer under Regulation 5 of the Management of Health and Safety at Work Regulations 1999 to make such arrangements as are appropriate for the effective planning, organisation, control, monitoring and review of the measures identified by the Council in consequence of risk assessments as those it needs to take to comply with health and safety legislation.

Equality

The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between people who share those protected characteristics and people who do not; and
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

The decision is to adopt a revised Corporate Health, Safety and Wellbeing Policy. Those most affected are Haringey Council staff. Staff with protected characteristics may be disproportionately at risk of ill-health and/or injury from poorly managed health and safety. There is therefore a need to ensure appropriate management of health and safety in order to ensure that members of staff with protected characteristics do not experience discrimination or victimisation in the workplace. Prevention of ill-health and injury to its staff therefore supports the Council to meet its Public Sector Equality Duty.

10. Use of Appendices

The following appendices are included as part of this report:

Appendix A Corporate Health, Safety and Wellbeing Policy

11. Local Government (Access to Information) Act 1985

Not applicable

CORPORATE HEALTH, SAFETY AND WELLBEING STATEMENT AND POLICY



The Council is committed to making the necessary arrangements to create and maintain a culture in which the safety and wellbeing of employees, and those affected by the actions of the Council, is an integral part of its business model. This policy outlines the Council's commitment for doing so, to providing safe places of work and healthy working environments and is compliant with any Health and Safety legislative requirements. This policy applies to all employees and other persons who may be affected by the activities of the Council, including service users and members of the community. This policy has been approved by Haringey Council, which places the duty upon the Chief Executive to act as the responsible officer in identifying suitable and sufficient arrangements including implementation and review. In accordance with *Section 2 (3) of the Health and Safety at Work Etc. Act 1974*, this policy statement is issued for the information of all employees.

- (1) The Council recognises and accepts its responsibility as an employer for providing a safe and healthy environment for all its employees, and conducting its business without risk to the health and safety of others.
- (2) The Council will take all reasonable preventive and protective measures to meet its responsibility under the Act, paying particular attention to the provision and maintenance of:
 - (a) a healthy and safe working environment including access, egress, plant, equipment and systems of work;
 - (b) appropriate organisational arrangements, including ensuring all Council departments consider all relevant health, safety and wellbeing issues within their business planning processes;
 - (c) safe arrangements for use, handling, storage and transport of articles and substances;
 - (d) health surveillance;
 - (e) competent safety assistance;
 - (f) planning and arrangements for serious and imminent dangers such as fire, explosion, building collapse, etc;
 - (g) sufficient information, instruction, training and supervision to enable all employees to avoid hazards and contribute positively to their own safety and health at work;
 - (h) co-operation between employees, external organisations and contractors;
 - (i) co-ordination of safety management systems;
 - (j) welfare provision;
 - (k) ensure the Council invests effective resources and arrangements to manage risks to the health, safety and wellbeing of its employees, customers, contractors and others affected by Council undertakings;
 - (l) suitable and sufficient risk assessments to minimise significant risks arising out or in connection with work to an acceptable level so far as is reasonably practicable; and
 - (m) a health, safety and wellbeing management system which aims for continual improvement.
- (3) In carrying out its responsibility under the Act, the Council recognises that there may be certain employees who may share characteristics which may render them more vulnerable than others and for whom special account may need to be taken when carrying risk assessment and making safety provisions. This additional vulnerability may be because of their:-

<ul style="list-style-type: none"> • age; • gender reassignment; • being married or in a civil partnership; • being pregnant or on maternity leave; • disability; • race including colour, nationality, ethnic or national origin; 	<ul style="list-style-type: none"> • religion or belief; • sex; • sexual orientation; • socio-economic status (local protected characteristic).
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This Policy will be reviewed every 26 months.

Chief Executive _____

Date

(Signed)

Leader of the Council _____

Date

(Signed)

CONTENTS

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2.0 Organisation Roles and Responsibilities

- 2.1. The Chief Executive
- 2.2. Council Leadership Group
- 2.3. The Director of Culture, Strategy and Engagement
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- 2.5. Health, Safety and Wellbeing Champion
- 2.6. Health and Safety Representatives
- 2.7. Employees, Agency Workers, Volunteers and Persons on Work Experience
- 2.8. Managers
- 2.9. Head of Resilience, Operational Building Management and Safety
- 2.10. Corporate Health and Safety Manager
- 2.11. Corporate Health and Safety Team
- 2.12. Occupational Health and Employee Assistance Programme Provision
- 2.13. Facilities and Building Management
- 2.14. The Head of Corporate Procurement
- 2.15. Housing and Homes for Haringey
- 2.16. Elected Members

3.0 Arrangements

- 3.1. Risk Based Assessment – Risk Register
- 3.2. Corporate Health, Safety and Wellbeing Strategy
- 3.3. Health and Safety Advice
- 3.4. Training and Information
- 3.5. Consultation and communication
- 3.6. Accident reporting

4.0 Audit and Monitoring of the Health, Safety and Wellbeing Policy

- 4.1. Review of the Policy

5.0 Information for Contractors, Partners and Visitors

- 5.1. Contractors
- 5.2. Partner Organisations
- 5.3. Schools

6.0 Related Haringey Health, Safety and Wellbeing Procedures and Guidance

2.0 ORGANISATION ROLES AND RESPONSIBILITIES

This section of the Health, Safety and Wellbeing policy sets out the roles and responsibilities of key stakeholders within Haringey Council. It also outlines the organisational expectations of those who are not employees e.g. partner organisations, contractors, service users, visitors and members of the public, where these people have contact with Haringey Council.

2.1 The Chief Executive

The Chief Executive is the ultimate responsible person for Health, Safety and Wellbeing within Haringey Council and has overall authority for Haringey Council's Health, Safety and Wellbeing performance and the organisational culture it operates within. This responsibility is formed by the employer's legal duties and an individual accountability to ensure corporate policy is implemented and legal requirements are met. The Chief Executive will hold responsibility for ensuring that the requirements of the organisation's Health, Safety and Wellbeing policy are met and that sufficient financial and material resources are available for the discharge of statutory Health, Safety and Wellbeing duties. The Chief Executive delegates day to day responsibility for Health, Safety and Wellbeing to the Council Leadership Team.

2.2. Council Leadership Team

Council Leadership Team is accountable to the Chief Executive for the support and promotion of positive Health, Safety and Wellbeing culture. The Team will consider the health, safety and wellbeing implications in all its strategic decisions and will be informed, when required, of significant health, safety and wellbeing issues. The Group will also receive the annual Corporate Health, Safety and Wellbeing report.

When decisions and recommendations taken by the Corporate Health, Safety and Wellbeing Board require resources not available to services, the Council Leadership Team will decide whether they are executed. The Team will make necessary resources available for their implementation.

2.3. The Director of Culture, Strategy and Engagement

In addition to, and without detracting from, the general responsibilities of the Council Leadership Team, the role of the Director of Culture, Strategy and Engagement is to:

- take responsibility as the responsible person for Health, Safety and Wellbeing on behalf of the Chief Executive;
- present to the Council Leadership Team an annual management review of Haringey Council's Health, Safety and Wellbeing performance; and any other significant health and safety issues when required;
- ensure that the Health, Safety and Wellbeing Policy, procedures, arrangements and guidance have been implemented effectively;
- take on the role of Wellbeing Champion for the Council;
- receive reports of any significant Health, Safety and Wellbeing issues and the outcomes of investigations from the Corporate Health, Safety and Wellbeing Team; and
- chair the Corporate Health, Safety and Wellbeing Board.

2.4 Directors/Assistant Directors

All Directors and Assistant Directors are responsible for engaging the workforce in the promotion and achievement of safe and healthy conditions and behaviours. This requires the successful implementation of policy, standards and procedure as well as active monitoring of performance, by services and individuals. In general, this will require them to:

- understand the Health, Safety and Wellbeing legislation, procedures and practices that apply to their portfolio of services and have the necessary personal training and development to ensure their competence;
- adhere to Haringey Council's Health, Safety and Wellbeing management arrangements and additional measures set by the Council Leadership Team;
- actively support the promotion of positive Health, Safety and Wellbeing behaviour and take personal responsibility for encouraging best practice;
- collaborate with Haringey Council's competent persons for Health, Safety and Wellbeing;
- monitor implementation, sharing best practices and rectifying underperforming areas;
- ensure all accidents, incidents, near misses and incidents of loss and damage are recorded, investigated and reported appropriately and that any preventative or corrective action is implemented in a timely manner and communicated to all parties;
- ensure performance monitoring results and learning from loss incidents are shared suitably to ensure continual improvement can be made and sustained;
- the nominated Assistant Director:
 - chair their Directorate Health, Safety and Wellbeing Board;
 - attend the Corporate Health, Safety and Wellbeing Board representing their Directorate; and
- nominate a senior member of their management team to act as the Service Health, Safety and Wellbeing Champion as prescribed below (Section 2.5).

2.5 Health, Safety and Wellbeing Champion

The Service Health, Safety and Wellbeing Champion, a senior management role, is responsible for:

- allocating sufficient time and resources to assess service health, safety and wellbeing requirements, major incidents, accidents or property damage;
- acting on behalf of and in conjunction with the Assistant Director in the implementation of the Corporate Health, Safety and Wellbeing Strategy in their services;
- discussing and instigating effective service health, safety and wellbeing arrangements which include safe working practices, health, safety and wellbeing monitoring;
- ensuring appropriate management and employee awareness about relevant health, safety and wellbeing issues in all working environments where the service is represented;
- ensuring unresolved health and safety issues are either addressed or referred back to the Director/Assistant Director for action;
- attend their Directorate Health, Safety and Wellbeing Board.
- ensuring that effective statistical data on service accident trends and any other relevant health, safety and wellbeing issues is prepared and analysed and reported to their Directorate Health, Safety and Wellbeing Board;
- ensuring that service health, safety and wellbeing objectives are integrated into relevant business planning and monitoring health, safety and wellbeing training programmes;
- if appropriate, convening/chairing a Persons of Concern Panel;
- ensuring that all local Trade Union Safety representatives and any other representative of employee safety are effectively consulted on health, safety and wellbeing representations;
- ensuring that all relevant health, safety and wellbeing information is communicated to all service areas in their Directorate; and

- attending relevant Health, Safety and Wellbeing training required to carry out their responsibilities effectively.

2.6 Health and Safety Representatives

Staff Health, Safety and Wellbeing Representatives (referred to as Representatives of Employee Safety) are employees that:

- are elected by their peers to represent their views and interests in matters relating to health and safety. They will only be elected if there are any employees who do not belong to a trade union and recognised trade unions have not agreed to represent them; or
- are appointed by their trade union as a health and safety representative. An appointed representative shall so far as is reasonably practicable either have been employed by the Council throughout the previous two years, or had at least two years of experience in similar employment.

They are not appointed to undertake the health and safety management function (unless it is part of the normal work they do for Haringey Council) but can make a significant contribution to a positive health and safety culture within the workplace. Health and Safety Representatives have the same responsibilities as other employees but are also entitled to:

- represent employees generally and when the Council consults them about specific matters that will affect the health, safety and welfare of the employees;
- represent employees when Health and Safety Inspectors from the HSE consult them;
- investigate accidents, near misses, and other potential hazards and dangerous occurrences in the workplace;
- investigate complaints made by an employee they represent about their health, safety or welfare in the workplace;
- present the findings of investigations to the Head of Service;
- trade Union appointed Safety Representatives are entitled to inspect the workplace, or a part of it, having given reasonable notice, in writing, to the Head of Service and providing that the safety representative has not inspected it, or that part of it, within the previous three months. Notification should also be given to the Corporate Health and Safety Team so that a joint inspection can be carried out where appropriate;
- where there has been a substantial change in the conditions of work (whether because of the introduction of new machinery or otherwise) or new information has been received from the HSE relevant to the hazards of the workplace since the last inspection, a safety representative may, following consultation with the Corporate Health and Safety Team, conduct a further inspection;
- inspections as a result of notifiable accidents, dangerous occurrences or the contraction of notifiable diseases;
- with at least one other appointed representative, request in writing that a health and safety committee is set up; and
- attend Health and Safety Committee meetings as an employee representative.

N.b. The Council's Health and Safety Committee meetings are the Directorates and Corporate Health, Safety and Wellbeing Board meetings.

Trade Union Health, Safety and Wellbeing Representatives will be appointed in accordance with their trade union's rules and will have completed appropriate training to enable them to carry out their role.

Haringey Council has an Employee Side Health and Safety Representative (Unison) who represents all Council employees in health and safety matters.

2.7 Employees, Agency Workers, Volunteers and Persons on Work Experience

Haringey Council reminds all employees, including temporary workers, and others engaged in work activities on its behalf, of their own health and safety responsibilities; which are to:

- take care of their own safety and that of others who may be affected by their activities;
- cooperate with the organisation on health, safety and wellbeing matters so as to enable it to carry out its own responsibilities and comply with relevant legislative requirements;

- not intentionally or recklessly interfere with, or misuse anything provided in the interests of health, safety or wellbeing and to inform managers of any dangerous work situations;
- cooperate and comply with managers in the undertaking of risk assessments and any control measures and observe safe systems of work where these are in operation;
- cooperate and comply if and when requested in the monitoring, audit and review of the Council's health, safety and wellbeing management system by the Corporate Health and Safety Team in accordance with the audit schedule;
- participate in health and safety training where required to do so;
- use any personal protective equipment provided, taking reasonable care of it and to report any loss or defect in accordance with service arrangements; and
- report accidents, incidents, near misses and acts of violence or aggression to their line manager; complete an incident reporting form in order that remedial action may be undertaken where necessary with a view to preventing recurrence.

Employees (including full-time, part-time, fixed term, agency workers, consultants, work experience, etc.) have the right to refuse carrying out an activity that put them in imminent danger of serious personal injury. Where a dispute happens between a manager and an employee about imminent danger, the manager should seek advice from the Corporate Health and Safety Team.

2.8 Managers

Managers at all levels are expected to:

- ensure adequate resources are made available for the effective implementation of management systems and risk controls;
- identify all hazards within their area and ensure that risk assessments are carried out to eliminate or control the hazard, providing risk assessment data and copies of risk assessments in the shared repository;
- ensure that a safe system of work and a safe environment is maintained by adherence to Haringey Council's Health, Safety and Wellbeing Policy, standards and procedures, which extends to visitors and contractors;
- ensure that all staff are adequately trained and identify any further training needs;
- monitor their work area and report any defects found;
- ensure that all accidents/incidents, near misses and acts of violence or aggression to members of their team are investigated, and reported to the Corporate Health, Safety Team and any preventative or corrective actions are implemented;
- complete and return requested quarterly health, safety and wellbeing monitoring information to the Director/Assistant Director; and
- arrange the provision of, and enforce the use of, Personal Protective Equipment where appropriate.

2.9 The Head of Resilience, Operational Building Management and Safety

Reporting to the Director of Culture, Strategy and Engagement in health and safety matters, the Head of Resilience, Operational Building Management and Safety is responsible for ensuring that all senior staff receive adequate professional advice and support to enable them to fulfil their health, safety and wellbeing responsibilities and to comply with Haringey Council's Health, Safety and Wellbeing policy. The Head of Resilience, Operational Building Management and Safety is responsible for:

- having an oversight of the health, safety and wellbeing service provided to the Council and maintaining knowledge of health and safety issues;
- acquiring competent health and safety advice, which is fulfilled by the Corporate Health and Safety Manager; and
- ensuring a Corporate Health, Safety and Wellbeing Strategy is created and implemented, which is led by the Corporate Health and Safety Manager.
- Reporting to Council Leadership Team regularly on significant health, safety and wellbeing matters.

2.10 Corporate Health and Safety Manager

Reporting to the Head of Resilience, Operational Building Management and Safety, the Corporate Health and Safety Manager is responsible for ensuring that all senior staff receive adequate professional advice and support to enable them to fulfil their health, safety and wellbeing responsibilities and to comply with Haringey Council's Health, Safety and Wellbeing policy. The Corporate Health and Safety Manager is responsible for:

- advising senior staff on current, amended and emerging legislation which may have an impact on the day-to-day duties of the organisation;
- supporting the Director of Culture, Strategy and Engagement with the organisation of the Corporate Health, Safety and Wellbeing Board;
- providing advice to the Learning and Development Manager (HR) on the content of health and safety training initiatives required to meet the training needs of the organisation; and
- preparing the Health, safety and Wellbeing annual report and other required reports for submission to the Council Leadership Team on the overall performance of its health, safety and wellbeing management system, making recommendations where appropriate.

2.11 Corporate Health and Safety Team

The Corporate Health and Safety Team, led by the Corporate Health and Safety Manager, are responsible for:

- ensuring that Haringey Council's safety management system is actively promoted and maintained;
- creating a Council Health, Safety and Wellbeing Strategy, which will be applicable for 4 years.
- fulfilling the role of the 'competent persons' on behalf of the organisation;
- establishing and implementing Haringey Council's Health Safety Policy and procedures in order to enable staff to deliver their obligations under health and safety legislation;
- preparing, when required, guidance documents, forms, factsheets, etc. The Corporate Health and Safety Manager, will approve these documents.
- preparing reports for submission to the Council Leadership Team on the overall performance of its health, safety and wellbeing management system, making recommendations where appropriate;
- promoting robust health and safety practice within the day-to-day activities and culture of Haringey Council;
- ensuring that Haringey Council maintains a consistent approach in the delivery of health, safety and wellbeing management through the establishment of Council wide procedures and the provision of advice and guidance;
- keeping statistical information on all accidents and monitor all accident and incidents that are reported under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations (RIDDOR) via the Council's accident recording system, advising where remedial action may be required;
- assisting management in undertaking a timely investigation of all serious incidents (including accidents, dangerous occurrences and near misses) and work-related ill health investigations;
- providing support to managers regarding their health and safety responsibilities;
- providing health and safety training for management and staff;
- undertaking audits and inspections to ensure that policies and procedures are appropriately applied;
- supporting staff through the provision of technical assistance and support in health and safety matters;
- promotion and support of the role of Health, Safety and Wellbeing Champions to ensure that all Directorates have adequate health and safety representation;
- providing advice on the requirements for risk assessments and Health and Safety learning and development;
- advising service managers on the implications of current health and safety legislation, statutory provisions and any subsequent change to ensure continual improvement;
- advising staff on health and safety training, and to monitor and evaluate the effectiveness of related policies, procedures and practices.
- analysing any health and safety monitoring data to identify potential or current problem areas throughout the Council;
- attend, when required, the Directorates Health, Safety and Wellbeing Boards;

- maintaining contact with local and national health and safety organisations such as the Health and Safety Executive (HSE), and seeking advice and guidance when so required;
- co-operation and consultation with employee safety representatives (trade union and non-trade union) on all work-related health and safety issues and safe systems of work.
- act as the internal health and safety auditors of the health and safety management system; and
- on behalf of the Assistant Director for Schools and Learning, review and approve category 3 educational visits.

The Corporate Health and Safety Team members have the authority to stop activities to which this policy applies, that are placing people at imminent danger of serious personal injury. In such occasions, the activity must not continue until it is carried out on a safe manner so far as it is reasonably practicable. The Director/Assistant Director must be informed, by the officer stopping the activity, as soon as possible.

The Corporate Health and Safety Team members, as part of their duties, have the right of access to Council workplaces, although unannounced visits will only be carried out when there is a business need or a health and safety concern.

2.12 Occupational Health and Employee Assistance Programme Provision

Haringey Council is committed to the prevention of occupational ill health and will take steps to ensure that all reported occupational ill health is recorded. The organisation will strive to ensure an improvement in employee wellbeing and a reduction in ill health incidents.

Occupational Health is concerned with the relationship between health and work. It monitors how work and the working environment can affect the employee and how the health of the employee can affect his or her work for the organisation. Therefore, the Council is working in partnership with PHC Healthcare Ltd to provide an occupational health service which aims to protect and maintain the health of the Council's employees so as to maximise service delivery to the residents of Haringey, benefiting both employees and service users. Employees can self-refer to Wellbeing Solutions, the Employee Assistance Programme (EAP) for advice and assessment on a wide range of topics. For further information please see: [Haringey Council Occupational Health and EAP](#) or for employees without access to the Council intranet they should ask your manager or trade union representative.

2.13 Facilities and Building Management

The Council is the landlord for all its large building portfolio. In order to fulfil landlord duties and building management responsibilities, buildings under the control of the Council are managed by the services with the authority and budget to do so. All buildings will be managed under the following principles:

- ensuring that health and safety related checks, servicing and statutory inspections are carried out in a timely manner;
- ensuring that buildings are clean, safe, and have the necessary welfare facilities to cater for the number and nature of occupants;
- ensuring that all contractors visiting sites to carry out work have the relevant competence to ensure that the work is carried out safely;
- ensuring that all visitors to the site are safe and that appropriate welfare facilities are provided;
- ensuring that all Council buildings have emergency controllers, appropriate emergency evacuation and first aid personnel, that procedures are put in place and Building Users Forums are set up where required; and
- ensuring that all emergency evacuation and first aid personnel lists are current and kept up to date.

The table below identifies the service that is responsible for the facilities and building management of each type of premises, unless a full maintenance lease is in place. However, the service issuing the lease is still responsible to ensure the lessee is meeting their statutory obligations related to building safety.

	Statutory Inspections, Checks, Maintenance, Servicing	Clean, Safe, Sufficient Welfare Facilities	Visitors Are Safe	Emergency Evacuation Plan	First Aider, Fire Warden, Emergency Controller	Contractors Work Safely
Care Home / Residential (not housing)	Corporate Landlord	Adults/Childrens	Adults/Childrens	Adults/Childrens	Adults/Childrens	Corporate Landlord
Children's Centre	Corporate Landlord	Children Centre Services	Children Centre Services	Children Centre Services	Children Centre Services	Corporate Landlord
Commercial (common parts and systems)	Corporate Landlord	Corporate Landlord	Building User	Corporate Landlord	Corporate Landlord	Corporate Landlord
Commercial Car Park	Corporate Landlord	Operations	Operations	Operations	Operations	Corporate Landlord
Commercial under a full maintenance lease	Lessee	Lessee	Lessee	Lessee	Lessee	Lessee
Community Centre	Corporate Landlord	Building User	Building User	Building User	Building User	Corporate Landlord
Corporate Building / Office	Corporate Landlord	Corporate Landlord	Corporate Landlord	Corporate Landlord	Corporate Landlord	Corporate Landlord
Day Centre	Corporate Landlord	Commissioning	Commissioning	Commissioning	Commissioning	Corporate Landlord
Housing stock (domestic dwelling)	Housing	Housing	N/A	Housing	N/A	Housing
Leisure Centre	Corporate Landlord	Operations	Operations	Operations	Operations	Corporate Landlord
Library	Corporate Landlord	Library Service	Library Service	Library Service	Library Service	Corporate Landlord
Park's building	Corporate Landlord	Operations	Operations	Operations	Operations	Corporate Landlord
Project work	Major Projects/Project Team	Major Projects/Project Team	Major Projects/Project Team	Major Projects/Project Team	Major Projects/Project Team	Major Projects/Project Team
Museum	Corporate Landlord	Commissioning	Commissioning	Commissioning	Commissioning	Corporate Landlord
School	Head of Centre	Head of Centre	Head of Centre	Head of Centre	Head of Centre	Head of Centre

The Council is the employer in the case of maintained schools. However, the responsibility to implement the above is delegated to the Headteacher as any other day-to-day health, safety and wellbeing responsibility.

2.14 The Head of Corporate Procurement

The Head of Corporate Procurement is responsible for arranging the procurement of goods and services and ensuring that:

- suppliers are comprehensively evaluated for their health, safety and welfare provision and meet corporate standards;
- all goods and services are commissioned from suppliers who have been fully evaluated and placed on the Council's Framework;
- any goods or services which do not conform to Council requirements are not used.

2.15 Housing and Homes for Haringey

The Council decided to bring back in-house its wholly owned company Homes for Haringey, that manages the Council's housing stock. It is expected that this decision will be made effective during 2022.

Its insourcing will have an effect in all services that currently interact with Homes for Haringey but also processes and procedures will be revised to ensure they include the required organisational and governance changes, which will be progressively implemented.

During the implementation period, Homes for Haringey activities will continue to be governed by the [HfH Health and Safety Policy](#) until this Policy and related Corporate Health, Safety and Wellbeing Procedures are reviewed.

2.16 Elected Members

The Elected Members and in particular Cabinet Members have responsibility to ensure that any policy decisions they are involved in, consider and address any health, safety and wellbeing implications; and this may involve consulting with the Council's Corporate Health and Safety Team in relation to any significant health, safety and wellbeing risks that may be evident.

Any significant health, safety and wellbeing matters will be reported to Members at their Staffing and Remuneration Committee meetings (as they relate to Council employees) and at their Corporate Committee meetings (as they relate to people who are not Council employees who use Council premises as a place of work).

3.0 ARRANGEMENTS

Haringey Council's procedures and guidance documents detail all the arrangements necessary for Health, Safety and Wellbeing management. It should be noted that what follows here is a summary of the arrangements. This policy and all related procedures, guidance and forms are published in Haringey Council's intranet. Managers of employees without access to these documents may produce hard copies when required for their information.

3.1 Risk Based Assessment – Risk Register

The policy is based on an effective Health, Safety and Wellbeing management system, which aims to minimise risks to employees and others. Service areas need to assess their business-related health and safety risks through the risk assessment process.

Each team/service area should have a risk assessment register, which will be reported every 6 months via Monday.com, which highlights their residual risks. Risk assessment registers will be reported to their Directorate Health, Safety and Wellbeing Board and to the Corporate Health, Safety and Wellbeing Board.

Also, each team/service area will report their general risk assessments on a central repository to ensure corporate oversight.

Risk assessments can be general for a particular activity or individual to cover a specific situation.

All risk assessments must be completed using the recognised Haringey Council corporate template and guidance.

3.2 Health, Safety and Wellbeing Strategy

The Council's Health, Safety and Wellbeing Strategy sets the aim and objectives for managing health and safety in the Council in 4 years cycle. This includes how the Council will set out to realise the strategy as well as how health and safety performance will be measured.

The standards contained in this strategy meet statutory responsibilities and good management practices that should serve to stimulate improvements in service delivery as well as health and safety performance. The Health and Safety Strategy is endorsed by the Corporate Health, Safety and Wellbeing Board for adoption throughout the Council.

The Health, Safety and Wellbeing Strategy commits the Council to continually improving the health and safety of its staff. The Health, Safety and Wellbeing Strategy is not just about achieving compliance, but will assist in realising:

- efficient, proactive and pragmatic ways of delivering health and safety;
- a safe and healthy environment for staff;
- a robust health and safety culture across the Council;
- staff wellbeing is protected, promoted and supported; and
- effective means of protecting stakeholders, including staff, pupils and visitors from harm.

3.3 Health and Safety Advice

In accordance with the Management of Health and Safety at Work Regulations 1999, Haringey Council has fully qualified and competent Health, Safety and Wellbeing practitioners who are able to offer advice on all aspects of Health, Safety and Wellbeing including advice on the completion of risk assessments. Their roles and responsibilities are outlined in paragraph 2.11 of this policy.

3.4 Training and Information

Health, Safety and Wellbeing training and information will be provided to employees in the following ways:

- during induction training;
- by attendance at formal training courses covering general Health, Safety and Wellbeing awareness;
- by undertaking specified E-learning courses;
- on the job training carried out by managers/supervisors;
- by participation in learning events covering job specific topics e.g. manual handling;
- by publications such as procedure documents, manuals, leaflets, and health and safety factsheets;
- by use of Haringey Council Intranet Health, Safety and Wellbeing pages.

Health, Safety and Wellbeing training needs will be identified by managers during employees' My Conversation sessions, via learning needs analysis or identification of service specific need. Managers must ensure that appropriate training is provided and that those identified as in need of training participate fully in it.

3.5 Consultation and Communication

The Council has several meetings where health and safety is discussed at different levels in the organisation. They are used for consultation with key stakeholders in changes to the health and safety management system, for communication with employees, for hazard reporting and are part of the decision-making process.

These meetings separate between strategic and operational.

Strategic



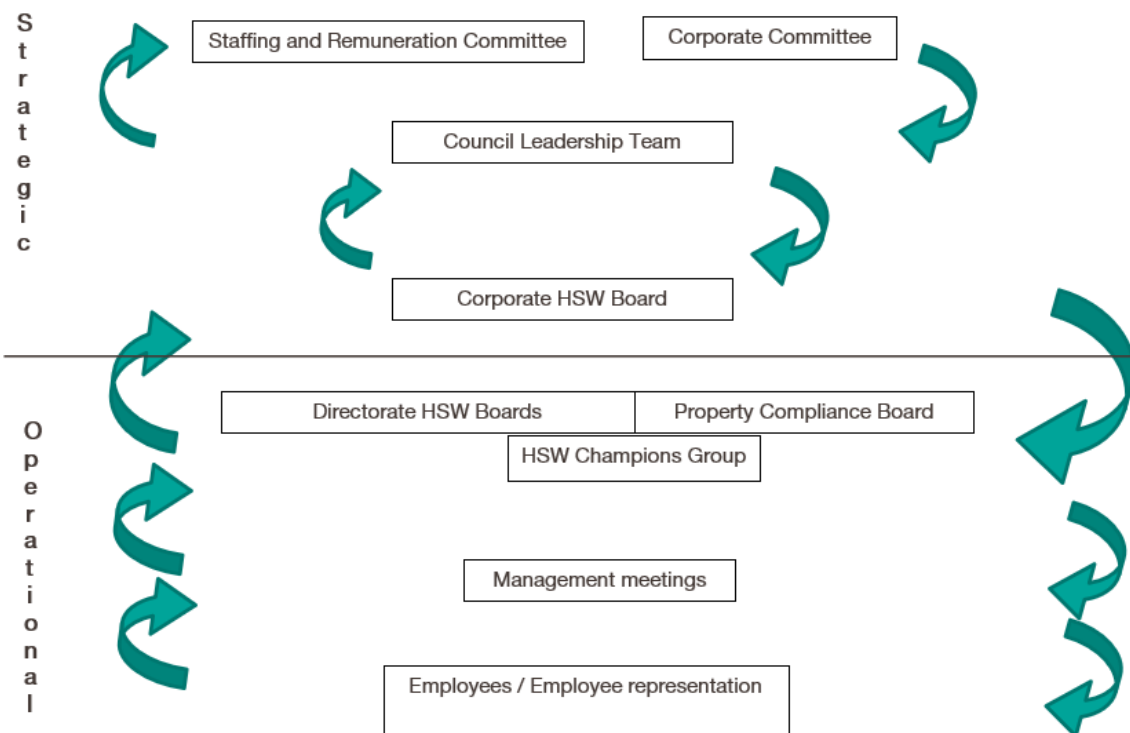
Level	Cohort	Topics
Corporate Committee	Members	<ul style="list-style-type: none"> • Policy and Strategy formal approval • Enforcement action against Council • HSW annual report • Decisions involving significant budget needs
Staffing and Remuneration Committee	Members	<ul style="list-style-type: none"> • Policy and Strategy formal approval • Enforcement action against Council • HSW annual report • Decisions involving significant budget needs
Council Leadership Team	CE and Directors	<ul style="list-style-type: none"> • Strategic health, safety and wellbeing decisions • Decision on expenditure of significant resources • Oversee compliance on statutory duties • Seek assurances that deviations are resolved
Corporate HSW Board	Chair: Director of Customer Transformation and Resources OR Head of Service Deputy Head of Service – H&S Director/AD per Directorate Staff Rep	<ul style="list-style-type: none"> • Document review (Policy/Strategy recommendation for approval. Procedures approval) • Approval of initiatives • Corporate HSW update • Legislation update • Enforcing action • Strategic KPIs <ul style="list-style-type: none"> ○ H&S Strategy ○ Health and Wellbeing Strategy ○ Building compliance (TF) • Corporate risk log

Operational



Level	Cohort	Topics
Directorate HSW Boards (each directorate)	Chair: Director/AD HSW Champion Staff Rep Service Managers H&S Adviser	<ul style="list-style-type: none"> Implementation of H&S Policy/Procedures Directorate risk register H&S Training gaps H&S audit results and pending actions. Significant accidents/incidents Sickness absence
Property Compliance Board	Chair: Head of Resilience, Operational Building Management and Safety Portfolio Managers	<ul style="list-style-type: none"> Endorsement of H&S procedures related to building compliance Oversee compliance on Council's estate Addresses non-compliance
Health, Safety and Wellbeing Champions Group (online group)	Health, Safety and Wellbeing Champions	<ul style="list-style-type: none"> Share best practice Disseminate relevant information to their Service Areas Bring health, safety and wellbeing issues for informal discussions
Management meetings (including a focus on Service operational H&S)	Chair: Head of Service Service Managers	<ul style="list-style-type: none"> H&S concerns H&S Training needs H&S inspection/audit results and corrective actions. Accidents/incidents and action plans Wellbeing (initiatives, sickness, issues)
Team meetings (including a focus on team's H&S)	Chair: Team Manager Employees	<ul style="list-style-type: none"> H&S concerns Team RAs Individual accidents

H&S Governance



3.5.1 Council Leadership Team

The Council Leadership Team is consulted on strategic health, safety and wellbeing decisions that affect the Council as a whole. It is also informed, when required, of significant health, safety and wellbeing issues.

The Team is informed about building compliance and other health, safety and wellbeing statutory duties that the Council has as the employer, and as social housing landlord. The Council Leadership Team will be informed about health, safety and wellbeing compliance regularly, and of building compliance.

When decisions and recommendations require significant resources, the Council Leadership Team will decide whether they are executed. The Team will make necessary resources available for their implementation.

3.5.2 Corporate Health, Safety and Wellbeing Board

The Corporate Health Safety and Wellbeing Board chaired by the Director of Culture, Strategy and Engagement, has an executive role on matters that supports the implementation of this Policy and that do not require significant resources. It also has an advisory and co-ordinating role and can make recommendations to the Corporate Board on health, safety and wellbeing related matters where a strategic decision or considerable resources are sought. The decision to take matters to the Corporate Board rests on the Director of Culture, Strategy and Engagement.

The Corporate Health Safety and Wellbeing Board is the formal consultation route for health and safety matters, policy and procedures. It is composed of representatives drawn from senior management, recognised Trade Unions and representatives. The Health, Safety and Wellbeing management system escalates from each workplace in the Council to this Board in the form of significant risks and the Health, Safety and Wellbeing Risk Registers form a substantial part of the Council's overall risk management framework. The terms and reference of the Corporate Health, Safety and Wellbeing Board are:

- to meet on a quarterly basis and be chaired by the Director of Culture, Strategy and Engagement;
- it will comprise the following attendees:
 - Director/AD representative for each Directorate
 - Corporate and Local Trade Union Safety Representatives as appropriate
 - Corporate Health and Safety Team representatives
 - Head of Resilience, Operational Building and Safety
 - HR Employment & Reward Manager
 - Any other Officer as agreed by the chair;
- establishing and maintaining a robust health and safety management system to comply with relevant legislation;
- developing the Health, Safety and Wellbeing Policy, ensuring it is reviewed regularly and revised if required;
- developing procedures and systems to ensure compliance with the policy;
- implementing a programme of inspection and audit to monitor the implementation of the Corporate Health, Safety and Wellbeing Management System;
- to receive health, safety and wellbeing risk register(s), building compliance and report to the Corporate Board as required;
- approval of health, safety and wellbeing initiatives;
- to be informed of enforcing action and remedial actions taken;
- to oversee the corporate KPIs emanating from the Corporate Health, Safety and Wellbeing Strategy;
- to oversee building compliance and corporate risk log;
- form the basis of consultation with Trade Union Safety Representatives about corporate health, safety and wellbeing policy issues.

3.5.3 Directorate Health, Safety and Wellbeing Boards

The Directorate Health, Safety and Wellbeing Boards is chaired by the Director or nominated AD, has the purpose to control the operational Health, Safety and Wellbeing on the directorate.

Local Health, Safety and Wellbeing issues and action plans escalates from each service area to this Board. The terms and reference of the Directorate Health, Safety and Wellbeing Champions Boards are:

- to meet on a quarterly basis, at least two weeks before the Corporate Health, Safety and Wellbeing Board, and be chaired by the Director or nominated AD. It will comprise the following attendees:
 - Directorate Health, Safety and Wellbeing Champion
 - Corporate and Local Trade Union Safety Representatives as appropriate
 - Heads of Service
 - Corporate Health and Safety Team representatives
 - Any other Officer as agreed by the chair;
- to report significant health, safety and wellbeing issues and escalate them to the Corporate Health, Safety and Wellbeing Board as required;
- to implement health, safety and wellbeing Policy and procedures;
- oversee the directorate risk register;
- analyse and remedy health, safety and wellbeing training gaps;
- oversee health and safety audit results and pending actions;
- discuss significant incident/accident and actions taken to prevent recurrence; and
- review sickness absence and actions taken to minimise it.

3.5.4 Property Compliance Board

The purpose of the Property Compliance Board (The Board) is to ensure that all properties owned and managed by Haringey Council or its appointed partners and contractors are compliant with statutory requirements and Council policy.

The Chair of this board is the Head of Resilience, Operational Building Management and Safety, and membership of the Board will include portfolio managers and other officers that hold responsibility to ensure statutory building compliance is maintained throughout the buildings under the control of the Council.

The Board's duties include:

- Identifying gaps, closing of identified gaps and performance monitoring against the Council's property-related policies and procedures. A standing item on the status of property-related policies and procedures will form part of the agenda under which gaps in policy coverage and performance against policy requirements will be discussed and monitored.
- Ensuring all statutory tests, inspections and maintenance regime for all building plants, equipment and engineering services are carried out in compliance with legislative requirements. Agreed key performance indicators relating to compliance will be provided for each meeting. The information will be taking directly from Technology Forge (TF), the Council's property and asset management software.
- Ensuring all properties owned by the Council are maintained in safe and effective state of repair. During meetings, each portfolio managers will address measures taken or recommended to ensure the effective maintenance of properties.
- Monitoring the services provided on behalf of the Council by partners and contractors to ensure effective property management and optimum service delivery. This will be achieved through the review of the quarterly performance data on property compliance which will be circulated to the Board at least a week in advance of each meeting.

- Specifying and prioritising compliance monitoring and agreeing any changes in the scope and frequency of monitoring. The Board, through its discussions, will refer to risk data, industry guidance, changes in legislation etc., to inform changes to the scope and frequency of compliance monitoring.
- Ensuring that partners, contractors and Council staff with responsibilities for building management have the necessary resources and access to information to enable them fulfil their mandates. This will be achieved by:
 - i. Providing a platform for sharing information and expertise in addressing the challenges faced across the portfolios.
 - ii. Identifying needs and developing strategies for investment to improve the condition, safety and compliance of properties.

3.5.5 Health, Safety and Wellbeing Champions Group

The Services Health, Safety and Wellbeing Champions Group has a consultation and co-ordinating role and can make recommendations to be considered in the Corporate Health, Safety and Wellbeing Board.

It is composed of representatives drawn from management from Service Areas, recognised Trade Unions and representatives. The Health, Safety and Wellbeing management system escalates from each workplace in the Council to this Board, in the form of significant risks and the Health, Safety and Wellbeing Risk Registers, which form a substantial part of the Council's overall risk management framework. The Group main tasks are:

- to disseminate relevant health, safety and wellbeing information to their service area;
- to report significant health, safety and wellbeing issues and escalate them to the Corporate Health, Safety and Wellbeing Board as required;
- consultation on the health, safety and wellbeing management system documents;
- consultation on health, safety and wellbeing initiatives;
- to receive health, safety and wellbeing updates, including relevant legislative updates;
- to receive health, safety and wellbeing updates from Directorates Health, Safety and Wellbeing Boards;
- form the initial basis of consultation with Trade Union Safety Representatives about corporate health, safety and wellbeing policy issues.

3.5.6 Team/Service meetings

Team meetings are the forums for employees to raise health and safety concerns that cannot be dealt with locally. These issues should be taken to the Directorate Health, Safety and Wellbeing Board if they cannot be resolved in Team/Service meetings. The Health, Safety and Wellbeing Champion reports those issues to its Directorate Boards.

It is also the forum where team/service managers feedback information to employees from the Directorate Health, Safety and Wellbeing Board and, if applicable, the Corporate Health, Safety and Wellbeing Board.

3.5.7 Consultation with Trade union-appointed health and safety representative

By law, the Council must consult its trade union-appointed health and safety representatives about:

- any change that may substantially affect the health and safety of the employees the health and safety representatives represent. Such changes may include:
 - new or different corporate procedures;
 - types of work;
 - equipment;
 - premises;
 - ways of working (for example, new shift patterns);
- the Council's arrangements for getting competent people to help meet its obligations under health and safety laws;

- information that must be given to the employees the health and safety representatives represent on the likely risks in their work and precautions they should take;
- the planning of health and safety training; and
- the health and safety consequences of introducing new technology.

3.6 Accident Reporting

Haringey Council requires that all its employees (including agency staff and contractors) promptly report any accidents, incidents, near misses or reportable work-related illness, using its accident/incident reporting and recording procedure. Accident/Incident report forms are completed by employees and managers. This information is then recorded on the accident reporting form and sent to the relevant parties stated on the form.

Where accidents or incidents are reportable to the Health and Safety Executive (HSE) under the RIDDOR Regulations, they will be reported by the Corporate Health and Safety Team. Service managers must review all such incidents, investigate the causes where these are in doubt, and put in place appropriate actions to reduce the potential for further harm from a recurrence. The Corporate Health and Safety Team can assist managers/service managers in incident investigation.

4.0 AUDIT AND MONITORING OF THE HEALTH, SAFETY AND WELLBEING POLICY

Haringey Council recognises the importance of regular audit, monitoring and review of the health and safety policy and its Corporate Health, Safety and Wellbeing Management System supporting documents. Corporate Council wide audits of the Health, Safety and Wellbeing system will be carried out by Haringey Council's Corporate Health and Safety Team and the findings reported to the Corporate Health, Safety and Wellbeing Board.

The Corporate Health and Safety Team shall review the Health, Safety and Wellbeing management system, at planned intervals, to ensure its continuing suitability, adequacy and effectiveness. Reviews shall include assessing opportunities for improvement and the need for changes to the management system, including the Health, Safety and Wellbeing policy and Corporate Health, Safety and Wellbeing objectives. Records of the management reviews shall be retained. The policy is monitored by the following means:-

- through oversight at the Corporate Health, Safety and Wellbeing Board;
- recommendations from monitoring and audit;
- sickness absence/accident and incident data;
- employees' survey;
- annual Health, Safety and Wellbeing reports; and
- consultation meetings with the Trade Unions and their Safety Representatives.

Haringey Council will ensure that such monitoring is sufficient to ensure policies and procedures are effective.

4.1 Review of the policy

This policy will be reviewed every 26 months and will consider:

- changes in legislation and Approved Codes of Practice (ACOPs);
- changes in safe working practices;
- up-dated knowledge of hazards;
- changes to Haringey Council's organisational structures;
- accidents or occupational ill-health issues; and

- regulatory enforcing authority action. In the event of such action, the Chief Executive will initiate an immediate review.

5.0 INFORMATION FOR CONTRACTORS, PARTNERS AND VISITORS

5.1 Contractors

All contractors will be required to conform to this Policy. They must ensure that any employee or sub-contractor under their control is made aware of and complies with the appropriate arrangements for health and safety. Contractors when working for the Council must conduct their activities in such a way that they do not endanger Council employees or anyone for whom the Council has a duty of care.

Contractors are expected to carry out their own risk assessments and method statements to ensure the Health, Safety and Wellbeing of employees and others that might be affected by their undertakings. A contractor’s failure to comply with statutory requirements and Haringey Council policies, procedures and risk assessments will be considered as a breach of contract.

Where possible, the Health, Safety and Wellbeing Policy and procedures of partner organisations will work in conjunction with those of Haringey Council. The Council will work together with other agencies to improve the standards of Health, Safety and Wellbeing performance of its contractors.

All contractors will be expected to co-operate with the organisation’s vetting scheme as it is developed.

5.2 Partner Organisations

Haringey Council will ensure as far as practicable, that the Health, Safety and Wellbeing policies and procedures of partner organisations are harmonised with those of Haringey Council to reduce the risk of conflicting standards. This will be achieved by using a robust selection process as appropriate.

5.3 Schools

The Schools’ Health and Safety Policy states the school’s health and safety governance (roles and responsibilities), and how health and safety is carried out in schools where the Council is the employer. The Council retains overall responsibility, but allocates to head teachers the task of ensuring that the school is a safe place for employees, pupils and visitors.

6.0 Related Haringey Health, Safety and Wellbeing Procedures and Guidance

[Health, Safety and Wellbeing procedures, guidance and other related documents](#) emanate from this policy. Once approved, they are published on the intranet and available to all employees. For employees without access to the Council intranet, employees should ask their managers for a copy. They can also ask the Corporate Health and Safety Team or trade union representative for information.

PREPARED BY	Corporate Health, Safety and Team
APPROVED BY	Chair of Staffing and Remuneration Committee
	Name: Councillor Date:
	Chair of the Corporate Committee
	Name: Councillor Date:

	Approval is recorded on the minutes of the above meetings.
DATE CREATED	June 2014
VERSION	Corporate Health, Safety & Wellbeing Policy version 5
REVISED	May 2022
REVIEW DATE	June 2024

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