

MINUTES OF THE MEETING OF THE CORPORATE COMMITTEE HELD ON TUESDAY, 30TH JANUARY, 2018, 7.00 pm

PRESENT: Councillors Barbara Blake (Chair), Gina Adamou, Charles Adje, Patrick Berryman, Isidoros Diakides, Reg Rice and Viv Ross

189. FILMING AT MEETINGS

The Chair referred Members present to agenda Item 1 as shown on the agenda in respect of filming at this meeting, and Members noted the information contained therein.

190. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS (IF ANY)

Apologies for absence were received by Cllr Engert.

191. URGENT BUSINESS

There were no such items.

192. DECLARATIONS OF INTEREST

There were no declarations of interest.

193. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

There were no such items.

194. MINUTES

RESOLVED

That the minutes of the Corporate Committee held on 30 November 2017 be approved as a correct record and signed by the chair.

195. TREASURY MANAGEMENT QUARTER 3 UPDATE

The Committee considered the mid-year report on Treasury Management, presented by Thomas Skeen, Head of Pensions. The report gave an update on the Council's treasury management activities and performance in the nine months to 31 December 2017 in accordance with the CIPFA Treasury Management Code of Practice.

The key messages from the report were that:

- At 31/3/2017 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £575.2m. The Council had £347.0m of external borrowing and

- £18.6m of investments.
- At 31/12/2017 the Council held £307.9m of long term loans, (an increase of £37.2m on 31/3/2017), as part of its strategy for funding previous years capital programmes. The Councils underlying need to borrow will grow further in coming years due to the Councils capital programme. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. Cashflow forecasts indicated that during 2017/18 the Councils investment balances would range between £0 and £50 million.
 - The Council holds £125m of LOBO (Lenders Option Borrowers Option) loans.
 - The Council confirms compliance with its Prudential Indicators for 2017/18, which was set in February 2017 as part of the Councils Treasury Management Strategy Statement.

RESOLVED

That members note the Treasury Management activity undertaken during the three months to 31 December 2017 and the performance achieved.

196. TREASURY MANAGEMENT STRATEGY STATEMENT

The Committee considered the report as presented by Thomas Skeen, Head of Pensions. It was explained that the CIPFA Treasury Management Code of Practice requires all local authorities to agree a Treasury Management Strategy Statement including an Investment Strategy annually in advance of the financial year. Mr Skeen notified the Committee that the report had been considered by the Overview & Scrutiny Committee the previous evening and following from recommendation from Corporate Committee would then be presented at Full Council for approval. It was noted that the strategy had not changed from previous years and that the overall aim was to keep cash balances and borrowing, as low as possible.

The Committee next considered the comments passed on from the Overview & Scrutiny Committee who requested that information regarding the revenue implications of capital decisions be provided for the Corporate Committee. These figures were noted by the members.

The Committee also discussed the request for the half year treasury performance update report to be presented at Overview & Scrutiny. It was agreed that this would be a good idea but the point was highlighted that treasury management was the responsibility of the Corporate Committee.

While considering the updated strategy statement it was agreed that an amendment would be made under section 4.7. When referencing the sources of long & short-term borrowing the fourth bullet point should be amended to read “ UK public/private sector pension funds (except Haringey Pension Fund and the London CIV)”. It was agreed that this change would be reflected in the final statement presented to Full Council for approval.

Action: Head of Pensions

RESOLVED

That the proposed Treasury Management Strategy Statement for 2018/19 to 2020/21 is agreed and recommended to Full Council for final approval.

197. HALF YEAR COMPLAINTS REPORT

Anita Hunt, Feedback & Information Governance Manager presented the report providing an update on complaints performance. It was explained that an update was usually received by the Overview & Scrutiny Committee who requested that it also be presented to the Corporate Committee.

The Committee discussed the various issues faced by the complaints department within the Council. One of these issues was the members concern that the quality of the member enquiry service had declined. It was noted that it could take up to a week for members to receive acknowledgement which was not acceptable considering that the public contact their ward councillors when a situation has reached a desperate stage and therefore requires quick action. It was highlighted that numerous matters being raised via member enquiries could be dealt with using better Council resources like the app. It was agreed that an email is to be sent to all members regarding use of the app when dealing with complaints and enquires from the public.

ACTION: Feedback & Information Governance Manager

While considering the ombudsman annual letter the Committee raised questions regarding the reports of maladministration. Anita Hunt described the process involved in reporting such cases and explained that many of the issues surrounded record keeping rather than the handling of the case. It was agreed that there was a general concern over the lack of resources in this service area.

It was noted that a review of the processes, systems and team structures was being conducted to identify areas for improvement. Although it was reported that the findings from this review would be presented to the Councils Senior Leadership Team in January 2018 the Committee were advised that this had not yet happened.

The Committee also discussed the frequency of this report being reported to Corporate. It was agreed that quarterly updates would be best as this allows for issues to be addressed at the time rather than retrospectively. It was agreed that this should be sent out to members of the Committee in the same manner as the internal audit reports.

ACTION: Feedback & Information Governance Manager

RESOLVED

That the Committee note the contents of the report for information.

198. INTERNAL AUDIT PROGRESS REPORT QUARTER 3

The Committee considered the Internal Audit Progress Report 2017/18 – Quarter 3, presented by Vanessa Bateman, Interim Head of Audit and Risk Management. The report set out progress on internal audit coverage relative to the approved internal audit plan, including the number of reports issued and finalised by Mazars, the Council's external audit provider, and provided a summary of the audit reports receiving an assurance rating of less than substantial that had been issued during the quarter, as well as an update on follow up work and progress on outstanding actions.

In response to a request made by the Committee at the last meeting, Jenni Plummer, Head of Operations in Adult Social Services was in attendance to answer questions on the A Team as this was an area of audit that was of concern to the Committee. Jenni Plummer gave an overview of the work done by the A Team and updated the Committee on the progress of the audit recommendations that had been made. It was noted that eight of the twenty recommendations raised had been implemented and four had partly implemented.

It was agreed that the Committee would receive an update on the progress of the A Team at its next meeting.

ACTION: Interim Head of Audit & Risk Management

199. COUNTER-FRAUD UPDATE QUARTER 3

The Committee considered the Counter Fraud Update report 2017/18, quarter 3, as presented Vanessa Bateman, Interim Head of Audit & Risk Management. The report detailed the pro-active and reactive investigative work undertaken by the in house counter fraud team. These investigations included work in such areas as tenancy fraud, gas safety-execution of warrant visits, tenancy block visits and Right to Buy. The Committee noted the outcome of these investigations.

It was noted that there had been one referral made using the Councils Whistleblowing Policy but this was managed by the Head of Audit & Risk Management with a report issued to the Chief Executive.

The Committee raised the question as to the amount of tenancy frauds reported in the Love Lane area. It was agreed that this information would be distributed to the Committee Members.

ACTION: Fraud Manager

RESOLVED

That the Corporate Committee note the counter-fraud work completed in the quarter to 31 December 2017.

200. RISK MANAGEMENT POLICY AND CORPORATE RISK REGISTER

Vanessa Bateman, Interim Head of Audit & Risk Management presented the report which provides a review of the corporate risk management policy, the risk management strategy and the corporate risk register.

It was noted that both the policy and strategy had been updated to incorporate changes to the Council's structure and reporting arrangements.

While discussing the corporate risk register, Leigh Lloyd-Thomas the Council's external auditor from BDO, suggested the Committee consider doing 'deep-dive' audits into specific areas of interest of internal audit controls. The Committee expressed their interest in exploring this.

RESOLVED

That the Corporate Committee:

- Review and approve the Corporate Risk Management Policy and associated Risk Management Strategy.
- Note the latest version of the corporate risk register.

201. EXTERNAL AUDIT PROGRESS REPORT

The Committee considered the external audit progress report as presented by Leigh Lloyd-Thomas of BDO.

It was noted that BDO's work on the 2016/17 pooling of housing capital receipts return identified that certain amounts of new-build expenditure had not been included in the return for the last three years. Mr Lloyd-Thomas reported that the Department for Communities & Local Government had agreed to re-open prior year returns in order to record actual eligible expenditure. This expenditure is now being audited.

RESOLVED

The Corporate Committee noted the audit coverage and follow up work completed.

202. ANY OTHER BUSINESS OF AN URGENT NATURE

There were no items of urgent business.

203. DATE AND TIME OF NEXT MEETING

Thursday 22nd March 2018.

CHAIR: Councillor Barbara Blake

Signed by Chair

Date