Haringey Council

Agenda item:

[No.]

| Audit Committee | On 3rd February 2009 |

Report Title: **Review of Probity and Propriety – Final Report by Grant Thornton**

Authorised By: **Chief Financial Officer**

Signed :

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| Wards(s) affected: **All** | Report for: **Non-Key Decision** |

1. Purpose of the report

1.1. To inform the Audit Committee of the outcome of the review of probity and propriety and the Council's response to the findings and recommendations.

2. Introduction by Cabinet Member (if necessary)

2.1. Not applicable

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. This review is part of the formal process of external audit and inspection that looks at the Council's progress and performance in terms of meeting its strategic objectives.

4. Recommendations

4.1. That the Committee notes the report and agrees the management responses contained in the action plan.

5. Reason for recommendation(s)

5.1. The action plan, when implemented will strengthen the Council's arrangements in respect of probity and propriety and will inform the 2008 Use of Resources assessment.

6. Other options considered

6.1. None

7. Summary

7.1. This review of the Council's overall arrangements for probity and propriety has focussed on the following key areas:

- Ethical Governance – local code of corporate governance, codes of conduct and Audit Committee
- Standards Committee – Member conduct and ethical issues
- Counter Fraud and Corruption – strategy and fraud response plan
- Confidential Reporting Procedures – whistle-blowing and dealing with the outcome of fraud investigations
- Managing the Risk of Fraud and responding to Proven Cases of Fraud – strategy, risk management and fraud response plan. Also benefit fraud and reports on successful prosecutions, etc.
- 2008 Use of Resources assessment – areas to focus on, including partnerships

7.2. The report includes 12 agreed actions for improvement of which 1 is rated of high importance. This relates to the need to formulise training for members of the Standards Committee. It has been agreed that this will be linked to the overarching strategy for Member development. In addition, an annual report will be submitted to the Standards Committee that will report on training delivered during the year and identify new developments and training for the ensuing year.

7.3. The Council has responded positively to all the actions for improvement whereby the target date for delivery is between December 2008 and June 2009. These will be closely monitored by officers and the Committee will be informed of progress achieved at its next meeting in May.

7.4. In regard to the 2008 Use of Resources assessment, the Council has already established a Steering Group and four work streams to address each of the four

themes and to provide supporting evidence. These report through the Chief Executive's Management Board.

7.5. The Council is also in the process of strengthening its arrangements for managing significant partnerships and in particular, the Haringey Strategic Partnership is currently implementing its own code of corporate governance.

8. Head of Legal Services Comments

8.1. There are no specific legal implications in this report.

9. Equalities & Community Cohesion Comments

9.1. This report deals with a review of probity and propriety across the Council which potentially could impact on various parts of the community. Delivery of the action plan for improvement will strengthen the governance arrangements for services the Council provides to all sections of the community.

10. Consultation

10.1.　No external consultation was required or undertaken in the production of this report. Consultation is undertaken with respective service managers.

11. Service Financial Comments

11.1.　There are no direct financial implications arising from the recommendations in this report.

12. Use of appendices

12.1.　Appendix – Grant Thornton Review of Probity and Propriety, including Action Plan for Improvement

13. Local Government (Access to Information) Act 1985

13.1.　For access to any background papers or further information, please contact Malcolm Gorringe on 0208 4895973
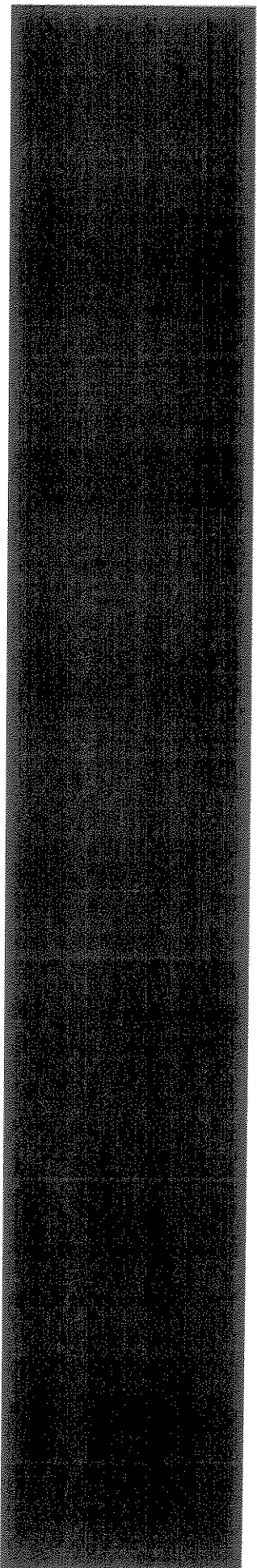
Review of Probity & Propriety

London Borough of Haringey

November 2008

Grant Thornton

Introduction and Overview

A review of the arrangements that the London Borough of Haringey (the Council) has in place to ensure probity and propriety in the conduct of its business has been completed in lines with the terms of reference agreed in January 2008. Interim conclusions from this review helped to inform the 2008 Use of Resources assessment. The review has been informed through discussions with Council Officers and review of Council documentation.

Whilst the review was taking place, the Audit Commission published its guidance in respect of the new Use of Resources Framework. This report takes into account the requirements of the new framework in respect of governance and probity issues and highlights areas that the Council should look to strengthen to enable it to demonstrate that it is 'performing well' against the new requirements.

One of the key features of the new Framework is the focus on partnership working and ensuring that partnerships are effectively managed and governed. Evidence of the effectiveness and impact of partnership working is required to be demonstrated under each of the three new themes. It will be critical for the Council to be able to demonstrate that it has effective partnership arrangements in place and that partnership working is helping to deliver against its priorities. Recommendations have been made that reflect the increased emphasis on partnership working under the new Framework.

As noted above, recommendations for improvements that, if implemented, will strengthen the Council's arrangements in respect of probity and propriety have been made in the report. No serious weaknesses in the Council's processes or systems have been identified as a result of this review and many of the recommendations are considered to be 'best practice'.

We would like to take this opportunity to thank the Council's Officers for the co-operation and assistance afforded to us during the course of this review.

Executive summary

Area of Focus	Key observations	Recommendations
Ethical Governance	• The Council recently introduced a local Code of Corporate Governance to consolidate the procedures it already has in place. A similar code was also introduced for the Haringey Strategic Partnership. Whilst the processes both the Council and HSP have in place appear comprehensive in terms of ensuring governance is robust, action needs to be taken to ensure the outcomes of these processes demonstrably lead to better outcomes.	◐ The Council should review the outcomes of the new governance arrangements that have been put place both at the Council and at the HSP to ensure that demonstrable and measurable outcomes have been realised.
The Standards Committee	• Whilst Members of the Standards Committee have received guidance, support and advice on how to undertake their role, there is no formal training programme in place.	● A formal training plan for Members of the Standards Committee should be developed.
Counter Fraud and Anti-Corruption	• The Council's current anti-fraud and corruption policy does not explicitly cover the behaviour of the Council's Partners.	◐ Consideration should be given to expanding the scope of the Anti-Fraud and Corruption Strategy to explicitly cover bodies working in partnership with the Council.
Confidential Reporting Procedures	• The Council has an approved whistle-blowing policy in place. All disclosures made are investigated and reported on to the appropriate Committee. A whistle-blowing policy for the HSP has been drafted.	● There is no reporting on referrals received under whistle-blowing to the Council's Audit Committee. An annual 'for information' paper on the functioning of the whistle-blowing policy should be presented to the Committee to inform their work going forwards. The HSP whistle-blowing policy should be presented to the HSP Board for approval.

Key: ● High importance
◐ Intermediate importance
○ Low importance

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Executive summary

Area of Focus	Key observations	Recommendations
Managing the Risk of Fraud	• The Council has a range of policies in place to mitigate against the risk of fraud occurring and there is adequate coverage of pro-active anti-fraud work in the 2008/9 internal audit plan. The risk of fraud is included on the relevant departmental risk registers. The risk of fraud occurring is not, however, included in the Council's corporate risk register.	◉ The risk of fraud and corruption occurring should be considered periodically for inclusion in the Council's corporate risk register.
Responding to Proven Cases of Fraud	• There is a focus by internal audit on areas where fraud has been identified and the Council has been proactive in responding to recommendations made in the Benefits Fraud Inspectorate report. However, there is little evidence on the Council's website of publicising proven cases of fraud and the Council does not make clear in its Anti-Fraud and Corruption Strategy how it will recover any losses resulting from acts of fraud or corruption. There is also the scope to better publicise the outcome of cases on the intranet.	◉ The Council should regularly update its published documentation and on its website, the processes it will follow to recover any financial losses resulting from proven cases of fraud or corruption.

Key: ◉ High importance
◐ Intermediate importance
◌ Low importance

Ethical Governance

Area of focus	Commentary	Action plan for improvements
Ethical governance refers to the processes, procedures, culture and values which ensure high standards of behaviour. Ethical governance is recognised as a key element of good governance in the CIPFA/SOLACE Good Governance Framework.	The Council introduced a local Code of Corporate Governance in July 2008. The purpose of the Code is to:	Partnership Governance is a focus of KLOE 2.3 of the new Use of Resources Framework. The Council needs to review the outcomes of processes it has in place for managing its partnership arrangements to demonstrate that they have led to improvements in the governance process.
A key benefit of good ethical governance is that a council which gets its roles and relationships right in an ethical sense is more likely to be well run and effective in helping to improve services and the quality of life for its local residents.	• it ensures its leadership sets a tone for the organisation by creating a climate of openness, support and respect • define and publicise the standards expected in the conduct of members and officers and in the work of the Council including work with partners and local communities • put in place and maintain in operation arrangements to ensure that Members and Officers are not influenced by prejudice, bias or conflicts of interest when dealing with different stakeholders. • put in place arrangements to ensure that systems and processes reflect appropriate ethical standards and to monitor their continuing effectiveness in practice.	
The Council should have arrangements in place to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.	The Council has in place Codes of Conduct for both Members and officers. Monitoring against the Members Code of Conduct is via the Council's Standards Committee (see below). The Standards Committee has agreed a local complaints handling procedure for dealing with reported non-compliances with the Members Code of Conduct in line with newly introduced requirements. Compliance with the Officers Code of Conduct is primarily monitored through the Council's confidential reporting policy. A similar Code was introduced for the Haringey Strategic Partnership at the same time together with an action plan and regular meeting of governance leads from the partnership bodies. The Council maintains an on-line version of its Members' register of interests. This enables access to all. The full register is also available for viewing within the Council's opening hours.	

Area of focus	Commentary	Action plan for improvements
Executive arrangements must include one or more overview and scrutiny committees through which non-executive councillors can question and challenge the policy and performance of the executive and promote public debate.	The Monitoring Officer has been proactive in delivering training on the revised Members Code of Conduct. Meetings have been held with the Council's political groups to go through the changes and the Cabinet and the Chief Executive Management Board have also been briefed. Changes have also been highlighted on the Council's website and in letters to Members. There is a raised awareness amongst Members when issues are raised. Members are proactive in approaching the Monitoring Officer for advice on Code of Conduct issues.	⊛ The Council should consider its membership of its Committees to establish whether it is satisfied that where members sit on both Scrutiny and Audit Committees that this is appropriate. Audit Arrangements should be put in place to ensure declaration of interests are made on agenda items on either committee as appropriate.
The main focuses of audit committees are to oversee financial processes, audit and risk management	The Council has an Audit Committee in place which is compliant with the CIPFA Code of Practice for Internal Audit requirements.	
	The terms of reference for the Council's Committee are in accordance with our expectations. A review of the Committee's effectiveness was undertaken during 2007/8. Recommendations arising from this review are currently being implemented.	
	From the Terms of Reference for the Committee it is apparent that it is both independent of the executive and scrutiny functions. It is recommended that member of the Audit Committee should be independent of both executive and scrutiny functions. However, a review of membership of the Council's Audit, Standards Overview and Scrutiny Committees indicates that three members of the Audit Committee are also members of the Council's Standards Committee and one is the Chair of the Overview and Scrutiny Committee.	

The Standards Committee

Area of focus	Commentary	Action plan for improvements
All Councils are required to have a Standards Committee.	The Council has a Standards Committee whose membership is constituted in line with statutory requirements. The Committee met four times in 2007/8 To date, it has met twice in 2008/9.	● A formal training plan for Members of the Standards Committee should be developed. Training should cover all areas of the Committee's remit. It is particularly important that there is a training plan in place as new independent members of the Committee are due to be recruited to take office in May 2009.
Standards Committees should act as the main means to raise awareness of the requirement of high standards of governance and ethical behaviour. It should take the lead in ensuring high standards of conduct are firmly embedded within the local culture.	There is evidence that training has taken place to support the new role of the Standards Committee in 2007/8 and related processes and sub-committees have also been established to ensure that members are equipped to deal with their new responsibilities.	
The Local Government and Public Involvement in Health Bill (2007) places greater emphasis on local decision making on ethics issues by making Standards Committees responsible for the initial assessment of all allegations.	At the Standards Committee meeting of 7 February 2008 it was agreed that the Monitoring Officer would investigate training options for the new municipal year, including the use of external providers. The Monitoring Officer was to investigate training options for 2008/9 and report back to the Committee. The Monitoring Officer has advised that nearly all members of the Standards Committee have been trained on Standards Board for England training material, however, whilst it is apparent from review of Committee agendas for 2008/9it that training is discussed at the meetings, there have been no formal written reports submitted on future training plans and there is no evidence of a training plan having been devised for members. One breach of the Members Code of Conduct has recently been investigated by the Standards Board of England and a recommendation raised in the resulting report to prevent similar breaches occurring. The Council is to draft guidance to be made available to all Members as a result of this.	

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Counter-Fraud and Anti-Corruption

Area of focus	Commentary	Action plan for improvements
Councils should manage the risk of fraud and corruption as a corporate risk. Effective arrangements include publishing a counter fraud and corruption strategy, delivering fraud awareness training and adequately resourcing counter fraud work. Councils should be assessing their counter fraud and corruption arrangements against current best practice.	The Council has an Anti-Fraud and Corruption Strategy. This is accessible via the Council's website. The Strategy was reviewed in July 2008. At the same time, the Council reviewed its Whistle-blowing Policy, introduced a Fraud Response Plan and introduced an Anti-Fraud and Corruption Strategy specifically related to Housing and Council Tax Benefit Fraud. The Strategies and Policies are owned by the Audit and Risk Management Committee An internal audit was undertaken during 2007/8 on anti-fraud and corruption arrangements in place at the Council. Internal Audit concluded that a substantial level of assurance could be provided on the current arrangements. Recommendations raised to improve processes in place included: ▪ linking the pro-active programme that is in place for Anti-Fraud work to the Council's risk management framework; ▪ The Council's fraud policy being updated to include a a clear definition of fraud; and ▪ The need to establish a clear link between the Internal Audit plan and known frauds within the Council. An action plan is in place and has begun to be implemented to address these and other recommendations made in the report. The current Anti-Fraud and Corruption Strategy includes a section on expected standards of behaviour of councillors and employees. This also covers organisations and individuals contracting with the Council. However, it does not explicitly cover partnership working.	◦ Consideration should be given to expanding the scope of the Anti-Fraud and Corruption Strategy to explicitly cover bodies working in partnership with the Council. As part of the agreement of partnerships the Council should review the arrangements that the partner organisation has in place in respect of anti-fraud and corruption to ensure that they meet the Council's minimum expectations.

Area of focus	Commentary	Action plan for improvements
As part of good governance, policies and procedures for confidential reporting need to be sound.	The Council has a whistle-blowing policy which applies to all employees, staff of Council contractors, agency staff and trainees. The policy was last reviewed in June 2008 and conforms to best practice guidance as outlined by Public Concern At Work, an independent organisation that advises on whistle-blowing matters. The Policy is accessible via both the Council's intranet and internet.	● There is no separate reporting on referrals received under whistle-blowing to the Council's Audit Committee. An annual 'for information' paper on the functioning of the whistle-blowing policy should be presented to the Committee to inform their work going forwards.
A whistle-blowing policy is a statement of an organisation's commitment to good governance and a guide for employees on how to raise a concern responsibly.	The Council's website includes detailed instructions on how members of the public can provide information confidentially on suspected fraud. It also has links to other bodies such as the DWP for the reporting of suspected benefit fraud.	The HSP whistle-blowing policy should be presented to the HSP Board for approval.
Effective whistle-blowing arrangements should act as a deterrent against unethical behaviour, encourage openness, promote transparency and help to protect the wide reputation of the organisation	The Council has provided a number of ways for members of the public who are concerned that there is the risk that fraud or corruption is occurring or may occur. These include dedicated phone lines for benefit fraud and an email reporting facility which members of the public can use to give information about any concerns they may have.	
	Internal Audit report on a quarterly basis to Audit Committee on the number of fraud investigations and irregularities reported to them for investigation, both from internal and external sources. From review of these reports, it would appear that referrals are regularly made and are appropriately dealt with. This provides assurance that there is a level of awareness of how referrals can be made and confidence by employees in the Council's whistle-blowing policy. Progress reports provide the Committee with detailed information on the directorate the allegation has arisen within, the irregularity type, the number of cases investigated, number of cases proven, number of officers subject to disciplinary investigation, the disciplinary outcome and the financial value if known.	
	All Council employees are advised on an annual basis through the Council's in-house newsletter and employee briefing on how to make disclosures. The Audit Manager has also delivered training to senior managers on fraud awareness and the procedures to be followed in the event of potential fraud being identified. A whistle-blowing policy for the HSP has been drafted.	

Managing the Risk of Fraud

Area of focus	Commentary	Action plan for improvements
Risk, in the context of managing fraud risk, is the vulnerability or exposure an organisation has towards fraud and irregularity. Preventative controls and the creation of the right type of corporate culture will tend to reduce the likelihood of fraud occurring.

It is the role of internal audit to ensure that system controls in place are effective and thereby, reduce the risk of fraud occurring.

Instances of fraud in the public sector are increasing particularly in the following areas; procurement, insurance, housing benefits and partnerships. | Fraud is referenced to in the Council's Risk Management Strategy; however, there is no explicit fraud or corruption risk included in the corporate risk register, although it is included on the appropriate departmental risk registers.

The Council has a range of policies and procedures in place that look to mitigate the risk of fraud occurring, for instance, its Anti-Fraud and Corruption Strategy, its whistle-blowing policy and its Fraud Response Plan.

The Internal Audit plan for 2008/9 includes 40 days for pro-active anti-fraud work based on a risk analysis. The scope of this work is to cover high risk areas where there have been previous fraud cases. The plan also includes 25 contingency days which could be used as responsive fraud days. There is also 75 days allocated to contract audit. The area of procurement is one of those flagged as being high risk by the Audit Commission. Fraud profiles are prepared for each Department.

The Council has a well tested and implemented a Fraud Response Plan. This outlines the processes in place for raising concerns about suspected fraud and corruption.

The Council's Risk Management Strategy makes no reference to the management of Partnerships and how risks arising from these should be identified and controlled. There is no documented process to ensure that fraud risks arising from the involvement in Partnerships are properly managed. The Council needs to ensure that arrangements for managing the risk of fraud in partnerships are adequate. | • The Council should periodically consider include the risk of fraud or corruption occurring as a corporate risk on its corporate risk register. This will ensure that the processes the Council has in place for managing the risk of fraud and corruption are subject to regular review and are highlighted across the Council.

• The Council needs to consider its partnership working arrangements to ensure that arrangements are considering how the risk of fraud is managed. |

Responding to Proven Cases of Fraud

Area of focus	Commentary	Action plan for improvements
Having effective mechanisms in place to respond to instances of identified or proven fraud cases should help to prevent fraud occurring in the future. There are a number of actions that Councils can take to ensure that where fraud has been identified that this is used to future benefit to deter other cases from being committed.	There is a focus by internal audit on areas where fraud has been identified evidencing a commitment to strengthening controls in areas where weaknesses have previously been identified. A number of proactive actions have been taken by the Council. For instance, as a response to a report by the DWP's Benefit Fraud Inspectorate (BFI) an Anti-Fraud Corruption Strategy relating to tackling Housing Benefit and Council Tax Benefit fraud has been developed and approved by the Council. The Council has a dedicated section on benefit fraud on its website. This provides details on how to report suspected benefit fraud to the Council and its sanction policy as well as other related policies and procedures. This section of the website does not appear to be used to report on successful prosecution of cases of benefit fraud. A review of the Council's website identified that only one news story relating to the detection of fraud have been reported via the latest news section in the last six months. Detailed quarterly performance reports are presented to Audit Committee on benefit fraud. These include details on the number of successful sanctions per quarter and also details of overpaid housing benefit that has been recovered through subsidy or is being collected direct from claimants. Neither the Council's Anti-Fraud and Corruption Strategy or Fraud Response Plan outlines how the Council will recover any losses resulting from fraud or corruption.	• The Council should outline in its published documentation and its strategies and policies the processes it will take to recover any financial losses resulting from acts of fraud or corruption. We note that Housing Benefits already covered by the Sanctions Policy. • Details of successful fraud investigations, in particular, those relating to employee and contractor fraud, should have a higher profile on the Council's website. This is an easy and cost-effective method of publicising the Council's successful work in this area and will clearly demonstrate to all stakeholders its commitment to tackling fraud and corruption whenever it happens. Lessons from fraud cases should also be publicised on the Council's intranet. • The Council's anti-fraud and corruption work is not referred to within the 2007/8 annual report. Whilst it is recognised that there is a limit to what can be published in this report, consideration should be given to including some detail on fraud reporting and the achievements of the work undertaken by the team given the audience that the report reaches.

Use of Resources Framework – 2008/9

Area of focus	Commentary	Action plan for improvements
A new Use of Resources Assessment Framework in place for 2008/9. Under the new Framework there is a focus on the outcomes the Council has achieved from the processes it has in place. This will demonstrate the effectiveness of these processes.	The Audit Commission guidance on the KLOEs details a number of areas the Council will be assessed against. The guidance provides a number of characteristics that the Council will need to be able to demonstrate that it has to achieve a level 3 score, some examples of how characteristics a 'performing well' body would be able to demonstrate are outlined below:	The Council needs to consider its current performance in terms of the new Use of Resources Framework and ensure that it has evidence of its outcomes achieved to support an assessment of 'performing well'. It is strongly recommended that the Council undertakes a self-assessment against the characteristics outlined in the Audit Commission issued guidance.
Internal control and governance issues are now included in Theme 2: Governing the Business, specifically:	KLOE 2.3	
KLOE 2.3 - Does the organisation promote and demonstrate the principles and values of good governance?	▪Standards of ethical conduct have been raised through the provision of ethics training, guidance and information ▪Members and staff have a clear understanding of their responsibilities to protect the council, its resources and reputation. This is demonstrated through compliance with Codes of Conduct and the actions taken to ensure the prevention of fraud.	The Council needs to be able to demonstrate evidence of proactively raising standards of ethical conduct to feed into the assessment.
and	KLOE 2.4	
KLOE 2.4 - Does the organisation manage its risks and maintain a sound system of internal control?	▪The council has a track record of achievement against the outcomes specified in its counter fraud and corruption strategy. ▪The council has an audit committee that is balanced in membership, objective, independent and knowledgeable	

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Action Plan for Improvements

Action Plan for improvements	Council's Response	Target Date for Action
Partnership Governance is a focus of KLOE 2.3 of the new Use of Resources Framework. The Council needs to review the outcomes of processes it has in place for managing its partnership arrangements to demonstrate that they have led to improvements in the governance process.	Agreed. The HSP Governance Working Group is already reviewing the agreed action plan as part of the implementation of the HSP Code of Corporate Governance. The action plan focuses on outcomes and a number of key areas will be reported on as part of the planned annual governance report.	April 2009
The Council should consider its membership of its Committees to establish whether it is satisfied that where members sit on both Scrutiny and Audit Committees that this is appropriate. Arrangements should be put in place to ensure declaration of interests are made on agenda items on either committee as appropriate	Agreed. Appropriate arrangements will be put in place.	April 2009
A formal training plan for Members of the Standards Committee should be developed. Training should cover all areas of the Committee's remit. It is particularly important that there is a training plan in place as new independent members of the Committee are due to be recruited to take office in May 2009.	Agreed. Linked to the overarching strategy for Member development, an annual report will be submitted to the Standards Committee that will report on training delivered during the year and identify new developments and training for the ensuing year.	June 2009
Consideration should be given to expanding the scope of the Anti-Fraud and Corruption Strategy to explicitly cover bodies working in partnership with the Council. As part of the agreement of partnerships the Council should review the arrangements that the partner organisation has in place in respect of anti-fraud and corruption to ensure that they meet the Council's minimum expectations. We understand that a HSP Risk Management Strategy has been developed and that the risk registers are being developed for each of the Partnership Theme Boards.	Agreed. The Council's Anti-Fraud and Corruption Strategy is reviewed on an annual basis and this recommendation will be addressed at the next review. The Council's anti-fraud and corruption strategy also covers partnership working.	April 2009

Action Plan for Improvements (cont)

Action Plan for improvements	Council's Response	Target Date for Action
There is no separate reporting on referrals received under whistle-blowing to the Council's Audit Committee. An annual 'for information' paper on the functioning of the whistle-blowing policy should be presented to the Committee to inform their work going forwards.	Agreed. An annual report will be provided to the Audit Committee.	June 2009
The Council should periodically consider including the risk of fraud or corruption occurring as a corporate risk on its corporate risk register. This will ensure that the processes the Council has in place for managing the risk of fraud and corruption are subject to regular review and are highlighted across the Council.	Agreed. The risk of fraud is already considered on an annual basis, as part of the annual audit planning process following the review of the key risks facing the Council and cases of fraud investigated during the previous year. Areas of high fraud risk will be incorporated into risk registers as appropriate.	March 2009
The Council needs to consider its partnership working arrangements to ensure that arrangements are considering how the risk of fraud is managed.	Agreed. Work is already in progress to address this.	April 2009
The Council should outline in its published documentation and its strategies and policies the processes it will take to recover any financial losses resulting from acts of fraud or corruption. We note that Housing Benefits is already covered by the Sanctions Policy.	Agreed. This will be incorporated into the annual review of the Council's anti-fraud and corruption strategy and the HSP code of governance and conduct.	April 2009
Details of successful fraud investigations, in particular, those relating to employee and contractor fraud, should have a higher profile on the Council's website. This is an easy and cost-effective method of publicising the Council's successful work in this area and will clearly demonstrate to all stakeholders its commitment to tackling fraud and corruption whenever it happens. Lessons from fraud cases should also be publicised on the Council's intranet.	Agreed. Internal Audit and Housing Benefits will work with the Communications Team to address this recommendation appropriately and in accordance with the Council's Communications Strategy.	March 2009

Action Plan for Improvements (cont)

Action Plan for Improvements	Council's Response	Target Date for Action
The Council's anti-fraud and corruption work is not referred to within the 2007/8 annual report. Whilst it is recognised that there is a limit to what can be published in this report, consideration should be given to including some detail on fraud reporting and the achievements of the work undertaken by the team given the audience that the report reaches.	This will be discussed when the 2008/09 annual report is produced to ascertain whether details of anti-fraud and corruption work should be included	April 2009
The Council needs to consider its current performance in terms of the new Use of Resources Framework and ensure that it has evidence of its outcomes achieved to support an assessment of 'performing well'. It is strongly recommended that the Council undertakes a self-assessment against the characteristics outlined in the Audit Commission issued guidance.	Agreed. A Steering Group and four work streams have been established to address each theme and provide supporting evidence. These report through the Chief Executive's Management Board.	From December 2008
The Council needs to be able to demonstrate evidence of proactively raising standards of ethical conduct to feed into the assessment.	Agreed. This will be covered by the self-assessment.	From December 2008

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