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The key elements of the internal control environment:	Sources/examples of assurance	Evidenced by	Action Plan to address any significant gaps in assurance or evidence
Mechanism established to identify principal statutory obligations	Responsibilities for statutory obligations are formally established	<ul style="list-style-type: none"> • Council Constitution. • Role of the Executive, and all other specific council committees, e.g. licensing, defined. • Committee terms of reference • Scheme of delegation in place and reviewed on regular basis. • Structure charts • Job descriptions of relevant managers (Head of Paid Service, Monitoring Officer, Chief Finance Officer) 	
	Record held of statutory obligations	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • (Need to confirm) <i>Record of statutory obligations, accessible by all relevant staff, exists e.g. legal library, intranet site etc</i>
	Effective procedures to identify, evaluate, communicate, implement, comply with and monitor legislative change exist and are used	<ul style="list-style-type: none"> • Evidence of effective arrangements for internal and external communication of legislation. • Reports to key officer and member groups on implications of new legislation. 	<ul style="list-style-type: none"> • (Need to confirm) <i>Assurance reports to senior officers and members that all relevant legislative changes have been</i>

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		<ul style="list-style-type: none"> • Members and Officers Code of conduct in place, reviewed on a regular basis and re-issued to all staff. 	<p><i>reported and addressed.</i></p> <ul style="list-style-type: none"> • <i>(Need to confirm) Included as part of induction training for key post holders.</i>
	Effective action is taken where areas of non-compliance are found	<ul style="list-style-type: none"> • Evidence to demonstrate that action has been taken: <ul style="list-style-type: none"> • Internal/external audit reports and external assessments e.g. OFSTED, BFI, CSCI. • Action plans in place to monitor achievement against recommendations. • Monitoring reports on actions plans re: implementation of identified key risk areas e.g. FoI, corporate governance • Evidence of corrective action taken in response to any upheld complaints • External audit report recommendations – action plan in place. 	
	Consultation takes place with	<ul style="list-style-type: none"> • Results from internal and/or 	

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	stakeholders on priorities and objectives	external consultation exercises have been evaluated and results published. <ul style="list-style-type: none"> • Forward Plan published and monitored, including reports to committee. 	
	The council's priorities and organisational objectives have been agreed, taking into account any feedback from consultation	<ul style="list-style-type: none"> • All key strategies and plans approved by Council or the Executive and consultation takes place with all appropriate stakeholders • Strategic plans published on website and via local and national media. • Action plans in place to ensure delivery of strategic plans e.g. Community Strategy, HSP. 	
	Objectives are reflected in departmental plans and are clearly matched with budgets	<ul style="list-style-type: none"> • Terms of reference and guidance notes are issued for the preparation of corporate, departmental and business unit plans. • Departmental and business unit plans reflect corporate objectives and approved funding. • Revenue and capital budgets are 	

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		<p>assigned to individual managers and are monitored and reported on a monthly basis.</p> <ul style="list-style-type: none"> • Council has a reserves policy which is reviewed and reported on. • Annual reports are produced on the outcome of departmental and business unit plans into an overall BVPP. 	
	<p>The Council's objectives are clearly communicated to staff and all stakeholders.</p>	<ul style="list-style-type: none"> • All strategies and plans published on intranet and Haringey website and via local and national media where required, e.g. Community Strategy, BVPP, Medium Term Financial Strategy • Action Plans are agreed and monitored e.g. for HSP, Community Strategy and Haringey Neighbourhood renewal strategy • Documented meetings at both and member level to discuss key objectives in corporate, departmental and business unit plans. • Peer group and member level 	<ul style="list-style-type: none"> • (Need to confirm) Evidence of consultation with stakeholders on service provision against cost.

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		reviews to ensure compliance. <ul style="list-style-type: none"> • Corporate objectives are set out in key documents (BVPP, annual plans/reports etc) and communicated in a variety of media – website, intranet, Team Brief, local and national media 	
Effective corporate governance arrangements are embedded within the council	Code of Corporate Governance has been established	<ul style="list-style-type: none"> • A code of corporate governance in line with CIPFA/SOLACE guidance has been adopted. 	<ul style="list-style-type: none"> • (Need to confirm) <i>All relevant staff have been made aware of the code.</i>
	Review and monitoring arrangements are in place	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • <u>Need to confirm all the following:</u> • <i>The Code incorporates a review date, or system for continuous review/update in response to changes required.</i> • <i>An annual report on compliance with the Code of corporate governance is</i>

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			<p><i>submitted to members.</i></p> <ul style="list-style-type: none"> • <i>There are clear arrangements for continuously monitoring compliance with the code, e.g. reports to relevant committee.</i> • <i>Internal/external audit reports on adequacy of corporate governance arrangements.</i>
	<p>There is a committee charged with governance responsibilities</p>	<ul style="list-style-type: none"> • Audit Committee terms of reference include responsibility for corporate governance. • TOR include all aspects of corporate governance. • Minutes from committee meetings confirm that responsibilities have been appropriately discharged. 	
	<p>Governance training provided to relevant officers and members</p>	<ul style="list-style-type: none"> • Induction courses for relevant officers and members include corporate governance issues. 	<ul style="list-style-type: none"> • (Need to confirm) <i>Ongoing awareness training is provided to</i>

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			<i>officers and members to ensure any changes to the Code are communicated.</i>
	Officers, public and other stakeholder awareness of corporate governance issues.	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Need to confirm: • Code has been published and is accessible to all staff, public and other stakeholders • Officer training programme in place.
Performance management arrangements are in place	Comprehensive and effective performance management systems operate routinely	<ul style="list-style-type: none"> • Clearly identified performance management framework in place that identifies: <ul style="list-style-type: none"> ➤ All sources of performance measures ➤ Who is responsible for achieving each performance measure ➤ Who is responsible for collating the data for each one ➤ Who determines and approves the performance measures ➤ Who receives reports on 	

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		<p>performance and how often</p> <ul style="list-style-type: none"> ➤ How data quality is assured ➤ How performance data is captured and its integrity maintained ➤ How poor performance is addressed ➤ How performance is driven upwards over time <ul style="list-style-type: none"> • Reports resulting from internal or external reviews of performance management • Year on year comparison of achievement against performance targets (e.g. in annual reports) • Best value reviews, including benchmarking results • Departmental and/or business unit benchmarking results 	
	Key performance indicators are established and monitored	<ul style="list-style-type: none"> • Appropriate KPI's have been established and approved for each service element and are included in departmental and business unit plans. • A robust monitoring system has 	

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		been approved and implemented. <ul style="list-style-type: none"> • There are regular reports on progress on delivering KPI's. • There is an approved mechanism for reviewing the continuing suitability of KPI's and for securing continuous change by increasing the required standards 	
	The council is aware how well it is performing against its planned outcomes	<ul style="list-style-type: none"> • Regular reports are presented to members on the delivery of national, council-wide and departmental performance targets. • External audit reports on BVPI's and KPI's. • CPA reviews. • Regular monthly budget monitoring meetings and reports – capital and revenue, current year and medium term. 	<ul style="list-style-type: none"> • <i>(to confirm will be in place for 2006/07) Balanced score card.</i>
	Knowledge of absolute and relative performances achieved is used to support decisions that drive improvements in outcomes.	<ul style="list-style-type: none"> • Monitoring reports are regularly presented to the Executive and appropriate committees. • The reports include detailed performance results, highlighting where corrective action is 	

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		<p>necessary.</p> <ul style="list-style-type: none"> • Committee reports include SMART action plans to improve performance. • Performance targets in subsequent corporate, departmental and business unit plans, improvement plans and people plans, are revised in light of actual performance. • Continuous improvement is strived for by increasing the difficulty of performance targets when they have been met over a period of time. • Performance trends are established and reported on over the medium term and are fed into the corporate, departmental and business unit planning processes. 	
	The Council continuously improves its performance management	<ul style="list-style-type: none"> • The performance management systems are regularly reviewed and updated to take account of changes in organisational structure, new performance measurement frameworks. 	

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		<ul style="list-style-type: none"> • The performance management arrangements are revised in line with external or internal review of the arrangements. 	
<p>The council has robust systems and processes in place for the identification and management of strategic and operational risk</p>	<p>There is a written strategy and policy in place for managing risk which:</p> <ul style="list-style-type: none"> • Has been formally approved at appropriate officer and member levels • Is reviewed on a regular basis • Has been communicated to all relevant staff 	<ul style="list-style-type: none"> • Approved risk management strategy in place. • Evidence of formal approval – by CEMB and audit committee • Evidence of formal review of risk management strategy. • Evidence of dissemination to all relevant staff. 	
	<p>The council has implemented clear structures and processes for risk management which are successfully implemented and:</p> <ul style="list-style-type: none"> • Senior management and members see risk management as a priority • Decision making considers risk • A senior manager has been appointed to 'champion' risk management 	<ul style="list-style-type: none"> • CEMB/committee minutes. • External audit review of risk management. • CPA comments on risk management. • Annual business plans include risk management. • Responsibility for risk management is set at appropriate senior level. • Committee reports include appropriate risk management information. 	<ul style="list-style-type: none"> • Job descriptions of senior and relevant managers.

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	<ul style="list-style-type: none"> • Roles and responsibilities for risk management have been defined • Risk management systems are subject to independent assessment • Risk management is considered in the annual business planning process 	<ul style="list-style-type: none"> • Corporate business and financial plan assess risks. 	
	<p>The council has developed a corporate approach to the identification and evaluation of risk which is understood by staff</p>	<ul style="list-style-type: none"> • Systematic procedures for risk identification and evaluation have been agreed and consistently applied across all business units. 	
	<p>The council has well defined procedures for recording and reporting risk.</p>	<ul style="list-style-type: none"> • Review of risk management strategy and policy. • Corporate risk register in place. • Evidence of regular reporting of risk to appropriate officer and member level. • Evidence of risk based auditing in place. 	<ul style="list-style-type: none"> • Key risk indicators have been determined and there is evidence of monitoring against these risks. • Evidence of risks not properly addressed identified in internal audit reports being included in risk management processes and registers.

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	The council has well established and clear arrangements for financing risk	<ul style="list-style-type: none"> • All legal requirements for insurance are met. • Evidence that self-insurance provisions are subject to regular independent actuarial valuation and that contributions to the fund are adjusted accordingly. • Insurance claims are being managed in accordance with the 'Woolf' protocols. • Evidence of monitoring the incidence of successful and unsuccessful claims and reporting to departments. 	<ul style="list-style-type: none"> • Council policy for risk financing in place and regularly reviewed in light of costs and alternative risk mitigation strategies. • Results of monitoring fed into the risk financing policy.
	The authority has developed a programme of risk management training for relevant officers and members	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Training programme for risk management. • Induction programme includes risk management. • Appropriate responsibilities for risk management included into job descriptions and performance reviews.

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	Managers are accountable for managing their risks.	<ul style="list-style-type: none"> • Evidence of manager involvement in risk identification and analysis process. • Risk owners detailed in corporate, departmental and business unit risk registers. 	<ul style="list-style-type: none"> • Job descriptions of managers outline their risk management responsibilities. • Evidence of regular review of risk registers at all levels
	Risk management is embedded throughout the council	<ul style="list-style-type: none"> • Regular reporting of key risks at CEMB and audit committee • Evidence of managers' involvement in risk management aspect of business planning. 	<ul style="list-style-type: none"> • Risk registers used to manage the business unit key service objectives. • Regular review and updating of risk registers • Risk management addressed in all business planning activities • Risk management training programme.
	Risks in partnership working are fully considered	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Address Audit Commission recommendations for Tech Refresh review.

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			<ul style="list-style-type: none"> • Evidence of risk assessments being undertaken before the start of major projects. • Evidence that risk assessments are regularly reviewed during the project period. • Evidence that reports on the reviews are made to the appropriate officer and member level. • Evidence that all key partnerships have been identified. • Evidence that potential partners are required to produce and submit risk assessments. • Evidence that partnership arrangements are reviewed in terms of

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			risk before they are entered into and subsequently that the risks are reviewed. <ul style="list-style-type: none"> • Evidence that there are effective arrangements in place for risk sharing (e.g. in partnering contract T&C's)
	Risk management information systems meet users needs	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Risk information being updated promptly. • Review of accuracy and usefulness of output. • Consultation with users on information requirements. • Interviews with users to assess suitability of information.
The Council has a robust system of internal control which includes systems and procedures to mitigate principal	There are written financial regulations in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff: <ul style="list-style-type: none"> • Council has adopted CIPFA 	<ul style="list-style-type: none"> • Financial regulations and instructions exist are reviewed and updated regularly. • Evidence of formal approval. • Examples of dissemination, e.g. induction, briefings, intranet and 	

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risks	<p>Code on Treasury Management</p> <ul style="list-style-type: none"> • Compliance with the Prudential code 	<p>website.</p> <ul style="list-style-type: none"> • Reports to committee confirming compliance, or identifying extent of non-compliance. • Report approving annual treasury management and investment strategy. • Outturn report on treasury management. • External audit assessment of compliance with prudential code. 	
	<p>There are written contract standing orders in place which have been formally approved, regularly reviewed and widely communicated to all staff.</p>	<ul style="list-style-type: none"> • Standing orders exist, are reviewed regularly and updated to cover new procedures e.g. partnering, on-line tendering. • Evidence of formal approval. • Examples of communication and dissemination 	<ul style="list-style-type: none"> • (Need to confirm) <i>Standing orders exist, are reviewed regularly and updated to cover new procedures e.g. partnering, on-line tendering.</i>
	<p>There is a whistleblowing policy in place which has been formally approved, regularly reviewed, widely communicated to all staff.</p>	<ul style="list-style-type: none"> • Whistleblowing policy exists and has been reviewed and updated regularly. • Evidence of formal approval. • Examples of communication and dissemination. 	

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		<ul style="list-style-type: none"> • Evidence of effectiveness of policy e.g. reports on incidence of usage 	
	<p>There is a counter fraud and corruption policy in place which has been formally approved, regularly reviewed and widely communicated to all staff.</p>	<ul style="list-style-type: none"> • Counter-fraud and corruption policy exists and has been regularly reviewed and updated. • Evidence of formal approval. • Examples of dissemination, staff newsletter, website, emails to all staff. • Compilation and review of register of gifts and hospitality 	
	<p>There are codes of conduct in place which have been formally approved and widely communicated to all staff.</p>	<ul style="list-style-type: none"> • Codes of conduct for officers and members. • Evidence of formal approval. • Examples of dissemination to all staff. 	
	<p>A register of interests is maintained, regularly updated and reviewed.</p>	<ul style="list-style-type: none"> • Register of interests exists for officers and members. • Evidence of review. 	
	<p>A scheme of delegation has been drawn up, formally approved and disseminated to all relevant staff.</p>	<ul style="list-style-type: none"> • Scheme of delegation exists and incorporates adequate controls and sanctions. • Evidence of formal approval. • Examples of communication. • Regular reports on the operation of 	

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		the scheme.	
	A corporate procurement policy has been drawn up, formally approved and communicated to all relevant officers	<ul style="list-style-type: none"> • Procurement policy exists and has been reviewed and updated regularly to take account of new initiatives e.g. framework agreements. • Evidence of formal approval. • Examples of dissemination. 	<ul style="list-style-type: none"> • Evidence of effectiveness of policy.
	Corporate/departmental/business unit continuity and disaster recovery plans have been drawn up for all critical service areas and are subject to regular review and testing.	<ul style="list-style-type: none"> • Business continuity and disaster recovery plans exist and are readily accessible. • Evidence of regular testing. • Evidence of regular review and changes made in light of testing completed, changes to structures, responsibilities etc. 	
	The corporate, departmental and business unit risk registers includes key controls to manage identified risks	<ul style="list-style-type: none"> • Risk registers set out key risks and identify controls to manage them. • Key controls are monitored, reviewed and updated regularly. • Risk owners are assigned to manage key risks. 	
	Key risk indicators have been drawn up to track the movement of key risks and are regularly	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Appropriate key risk indicators are documented.

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	monitored and reviewed.		<ul style="list-style-type: none"> • Evidence of regular monitoring. • Evidence of changes in risk indicators e.g. as a result of internal audit reviews.
	The council's internal control framework is subject to regular independent assessment.	<ul style="list-style-type: none"> • Internal audit plans and reports. • Annual audit report. • External audit reports. • CPA opinion and assessment reports. 	
	A corporate health and safety policy has been drawn up, formally approved, is subject to regular review and has been communicated to all staff.	<ul style="list-style-type: none"> • Health and safety policy exists and has been regularly reviewed. • Evidence of formal approval. • Examples of dissemination e.g. website and intranet, briefings, newsletter. • Evidence of effectiveness of policy e.g. HSE referrals and reports. • Review of incidents and reports. 	
	A corporate complaints policy and procedure has been drawn up, formally approved, communicated to all relevant staff, the public and other relevant stakeholders, and is	<ul style="list-style-type: none"> • Complaints policy and procedure exists and has been regularly reviewed and updated. • Procedure is compliant with all relevant statutory requirements. 	

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	regularly reviewed.	<ul style="list-style-type: none"> • Evidence of formal approval. • Examples of dissemination e.g. website and intranet, induction programme, leaflets, posters. • Complaints files. • Committee reports summarising numbers, outcomes etc. 	