

DELOITTE INTERNAL AUDIT - QUARTERLY AUDIT REPORT 2011/12

APPENDIX A

AUDIT AREA	Assurance Level	Recommendations											Priority 1 Recs. Outstanding	
		Category			Implemented				Not Implemented					
		1	2	3	Total	1	2	3	Total	N/A	Not Imp.	In Progress		Not due
		14	81	16	111	12	69	14	95	7	2	2	5	1
Total														

Schools:

SCHOOL	Recommendations											Priority 1 Recs. Outstanding	
	Category			Implemented				Not Implemented					
	1	2	3	Total	1	2	3	Total	N/A	Not Imp.	In Progress		Not due
Chestnuts Primary School	4	7	0	11	1	1	0	2	0	1	8	0	0

Implemented – officers has indicated through self-certification the progress of recommendations. We have verified a sample of responses.
N/A – the recommendation is no longer applicable due to changes in the system, or alternative action has been taken to address the risk.
Not implemented – the recommendation has not been addressed, alternative action has not been taken.
In Progress – officers have started implementation of recommendations

Where recommendations have not been implemented in full, we have identified in our report to the School, further actions required, where appropriate, to fully address the issues identified in the original report.

Detailed Progress Report - Outstanding Recommendations 2010/11

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
CORPORATE RESOURCES				
ACCOUNTS RECEIVABLE (DEBTORS)				
1	The formalised debt recovery and write off procedure documents should be reviewed and updated to reflect any changes in processes and practices, and communicated to staff across directorates. The procedure documents should define the responsibility and accountability across the Council within the debt recovery and write off processes. This should be made available on Harinet and updated on a regular basis.	2	Sept. 2011	<p>Not Implemented</p> <p>Management Response: As stated in the key Statistics & Benchmarking "The Council's Finance Service carried out a restructure, part of which was the centralisation of the debt management process within Corporate Finance." As a result of this restructure all debt collection processes including debt write off have fundamentally changed and will require updating. The procedures relating to the raising of invoices were reviewed when the debt management webpage's were reviewed and these are current and do not require amendment. <i>Revised deadline: 1 April 2012</i></p>
TREASURY MANAGEMENT				
2	Reconciliations should be completed on a monthly basis and all discrepancies identified and investigated. Upon completion, the reconciliation should be independently reviewed and signed and dated by both the preparer and the reviewer. The Treasury Management team should commence reconciliations between SAP and Logotech. Where significant discrepancies are identified reconciliations for the previous months back to April 2011 should be carried out.	2		<p>Not Implemented</p> <p>Management Response: Daily bank statement checks of investments made and repaid are made to ensure that all monies due are returned to the Council when due. Any discrepancies are followed up immediately. Monthly reconciliations of investments raised and repaid to SAP have now been re-instated and the first set covered the period April to November 2011. <i>Revised deadline: January 2012</i></p>

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Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
CHIEF EXECUTIVE				
HEALTH & SAFETY				
3	<p>A formal process should be put in place for each Directorate to submit, within a specified deadline, their Quarterly Health & Safety Directorate Service Reports. The process should include following up on Directorates that have not submitted their reports, and taking appropriate action to address any issues.</p>	1	31.12.10	<p>Partly Implemented</p> <p>Management Update June 2011:</p> <p>It has been difficult to implement this recommendation for all Directorates due to current resource constraints across the Council. However, this issue has been cascaded to the Health & Safety officers within each Directorate and progress will be monitored at directorate Health and Safety forum meetings.</p> <p><i>Revised deadline: 31 December 2011</i></p> <p><i>Management Update 03/01/2012</i></p> <p>The Health & Safety Manager has confirmed that discussions with all Directorates are ongoing. As a result of the forthcoming restructure in the next financial year, it is expected that a greater level of advisory support will be available at Directorate level at the start of the 2012/13 financial year.</p> <p><i>Revised deadline: 1 April 2012</i></p> <p><i>Management Update 19/04/2012</i></p> <p>Health and safety advisory functions are being restructured. A summary report has been provided that clarifies changes. Due to the ongoing problematic process of providing service by service performance data, the following approach will be taken:</p> <ul style="list-style-type: none"> At each Corporate Health and Safety Committee the previous quarter's accident statistics will be discussed as a standing item and any specific trends identified for action

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				<p>via individual directorate committees. The Corporate H&S Committee is now chaired by the Head of HR.</p> <ul style="list-style-type: none"> • Directorate H&S Committee will also have the previous quarter's accident stats as a standing item. Trends will be specified and target action will be agreed and timetabled. • Each directorate will have a dedicated safety advisor who will discuss appropriate performance reporting in relation to their significant health and safety risks via their Directorate Health and Safety Committees. • The intention is for this to take the form of specific service areas undergoing a sampling process carried out between the safety advisor and relevant service head in relation to their risk assessments with full involvement by the Directorate Safety Liaison Officer and also areas of concern that may have been highlighted by the directorate accident stats . <p>This will take time as there are still a number of teething problems with individual directorates in relation to their committees. These issues will now be escalated to the Head of Human Resources where issues are not resolved within acceptable time frames</p> <p><i>Revised deadline: To be confirmed</i></p>

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
URBAN ENVIRONMENT (Now Place & Sustainability)				
CERTIFICATES OF LAWFULNESS				
4	<p>Six months after the rejection of an existing certificate application, all such applications should be monitored and the action taken by the applicant should be reviewed to identify whether applications have been either re-submitted or a referral made to the Enforcement Team.</p> <p>Further, six months after approval of a proposed certificate application, all such applications should be monitored and followed up to confirm that any development is in accordance with the approved certificate.</p>	2	Immediate	<p>Partly Implemented</p> <p><i>Management Update 03/01/2012</i></p> <p>Quarterly reports are due to be produced to monitor the progress of rejected applications. These reports are due to be in use and circulated by the end of January 2012.</p> <p><i>Revised deadline: 31 January 2012</i></p> <p><i>Management Update 19 April 2012</i></p> <p>A new report has not yet been created for quarterly checks. It is expected that this will be done in two months time.</p> <p><i>Revised deadline: 30 June 2012</i></p>

Statement of Responsibility

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

The matters raised in this report are only those which came to our attention during the course of our internal audit 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 internal audit work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Auditors, in conducting their work, are required to have regards to the possibility of fraud or irregularities. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our audit work and to ensure the authenticity of these documents. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system. The assurance level awarded in our internal audit report is not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Audit and Assurance Standards Board.

Deloitte & Touche Public Sector Internal Audit Limited

London

April 2012

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IN HOUSE AUDIT – IRREGULARITIES INVESTIGATED 01/04/11 – 31/03/12 & B/F FROM 2010/11

Directorate	Irregularity Type	No. of cases investigated	No. of cases proven at 31/03/2012	No. of Officers subject to Disciplinary Investigation	Disciplinary Outcome	Value (£) (if known)
Adults & Housing Services	Allegation of private work in work time	1	0	0	N/A	
	Allegation of identity fraud	1	0	0	N/A	
	Allegation of working whilst off sick	1	0	0	N/A	
Assistant Chief Executive	Allegation of Irregular canvassing	1	1	1	Dismissed	
Children's and Young People's Services	Allegation of misuse of purchasing account	1	1	1	Resigned	
	Allegation of theft of parking income B/F 2010/11	1	1	1	Dismissed	
	Allegation of housing benefit fraud	1	1	1	Dismissal Upheld at Appeal Pending	
	Allegation that employee failed to declare	1	1	1	Warning	

APPENDIX B

IN HOUSE AUDIT – IRREGULARITIES INVESTIGATED 01/04/11 - 31/03/12 & B/F FROM 2010/11

Directorate	Irregularity Type	No. of cases investigated	No. of cases proven at 31/03/2012	No. of Officers subject to Disciplinary Investigation	Disciplinary Outcome	Value (£) (if known)
	second employment					
	Allegation of tenancy fraud	1	0	0	N/A	
	Alleged misuse of Companion	1	1	1	Final Written Warning	
	Alleged theft of materials	1	0	0	N/A	
	Allegation of bringing the Council into disrepute	1	1	1	Warning	
	Allegation that employee supplied false reference to third party	1	1	1	Dismissed	
	Allegation of discrepancies in job application	1	1	1	Resigned	
	Allegation of failure to declare income for benefit purposes	1	1	1	Resigned	
Corporate Resources	Allegation of second	2	0	0	N/A	

IN HOUSE AUDIT – IRREGULARITIES INVESTIGATED 01/04/11 – 31/03/12 & B/F FROM 2010/11

Directorate	Irregularity Type	No. of cases investigated	No. of cases proven at 31/03/2012	No. of Officers subject to Disciplinary Investigation	Disciplinary Outcome	Value (£) (if known)
	employment B/F 2010/11					
	Allegation of theft of monies	1	1	1	Resigned	
Place and Sustainability	Allegation that employee absent without leave B/F 2010/11	1	1	1	Dismissed	
	Allegation of bringing Council into Disrepute	1	0	0	N/A	
	Allegation of theft of fines Income	1	1	1	Resigned	
	Allegation of submission of altered medical certificate	1	1	1	Standard Setting Hearing	
TOTAL		22	14	14		

Haringey Council – Corporate Committee

Disciplinary Case Analysis January to March 2012

Introduction

The information in this report is taken from SAP, covering the period 01 January 2011 – 31 March 2012.

The data is based on Haringey Council employees who

- hold Permanent, Temporary or Fixed Term Contracts

Note that this data excludes:

- Casual or Sessional Workers
- Schools
- Agency Workers

Legend	
Adults & Housing	AS
The Children & Young People's Service	C
Chief Executive	CE
Corporate Resources	CR
Public Health	PH
Place & Sustainability	PS
Haringey Council	HGY

The Council's Disciplinary Procedure is considered as a tool to assist in good management and not solely as a means of imposing sanctions or setting out procedures leading to dismissal.

The procedure aims to:

- Allow managers to address issues of unsatisfactory conduct and seek improvements in behaviour
 - Ensure that employees covered by the procedure are treated fairly and consistently
 - Ensure that proper and adequate procedures are observed before any disciplinary decisions are taken
 - Help and encourage all employees to achieve and maintain standards of conduct, attendance and job performance
 - Maintain discipline essential to the delivery of high quality services
 - Protect the health, safety and well being of staff, service users and members of the public
 - Safeguard the integrity and good reputation of the Council
- (Disciplinary Procedure July 2005)*

Disciplinary Cases

This section looks at the number of formal actions taken against employees under the disciplinary procedure.

Disciplinary Cases by Directorate				
Directorate	Cases Open	Cases Closed	No of cases	No of employees
AS	5	5	10	9
C	6	4	10	8
CE	1	0	1	1
CR	3	1	4	3
PH	0	0	0	0
PS	6	8	14	13
Grand Total	21	18	39	34

Please note that the total number of cases is 39, but this only represents 34 employees. The reason being is that one employee can have more than one case in the same period. For example, an employee's dismissal could count as one case and their appeal as another.

- Children's has the highest percentage of disciplinary cases against its workforce at 1.27% in this quarter
- 21 cases remain 'open' at the end of this period

The following table looks at the stages of Disciplinary cases.

Stages of Disciplinary Cases				
Stage	Cases Open	Cases Closed	Total	%
Invest. - not suspended	7	5	12	31
Invest. - suspended	7	10	17	44
ET	4	1	5	13
Appeal	3	2	5	13
Total	21	18	39	100

The following table identifies the outcomes of the 18 cases that were closed in this period.

Disciplinary Case Outcomes						
Outcome	Invest. - not suspended	Invest. - suspended	Invest. - appeal	Invest. - ET	Total	%
Compromised agreement	0	0	0	0	0	0
Dis. Appeal Dismissed	0	0	0	0	0	0
Dis. Appeal Part Upheld	0	0	0	0	0	0
Dis. Appeal Upheld	0	0	0	0	0	0
Dis. Appeal Withdrawn	0	0	0	0	0	0
Dis. Dismissal	2	5	0	0	7	39
Dis. ET Dismissed	0	0	0	0	0	0
Dis. ET Withdrawn	0	0	0	1	1	6
Dis. Final Written Warning	0	2	0	0	2	11
Dis. No Action	0	1	1	0	2	11
Dis. Other	0	0	0	0	0	0
Dis. Relegation/Demotion	0	1	1	0	2	11
Dis. Resigned	0	0	0	0	0	0
Dis. Verbal Warning	0	0	0	0	0	0
Dis. Warning & Sanction	0	0	0	0	0	0
Dis. Written Warning	3	0	0	0	3	17
Escalated to next stage	0	0	0	0	0	0
Suspension Lifted	0	1	0	0	1	6
Total	5	10	2	1	18	100

This table displays reasons for Disciplinary action against employees.

Reasons for Disciplinary Cases				
Reason	Cases Open	Cases Closed	Total	%
Assault	0	1	1	3
Attendance	5	2	7	18
Behaviour	10	9	19	49
Fraud / Theft	1	2	3	8
Misuse of resources	1	0	1	3
Negligence	4	1	5	13
Other	0	3	3	8
Total	21	18	39	100

- The highest cause for disciplinary action was for Behaviour at 49%

This table looks at the ethnic breakdown and gender split for Disciplinary cases

Ethnic Class	Female		Male		All	
	Total	%	Total	%	Total	%
B A M E	16	55	13	45	29	85
White	3	60	2	40	5	15
Not Declared	0	0	0	0	0	0
Total	19	56	15	44	34	100

- 31% of the workforce is male, but the male representation with disciplinary cases is higher at 44%

The following table looks at the ethnic breakdown per Directorate and across grade bands.

Dir	Ethnic Group	SC1-SC5		SC6-SO2		PO1-PO3		PO4-PO7		PO8+		TOTAL	
		T	WF	T	WF	T	WF	T	WF	T	WF	T	WF
AS	B & ME	7	78	1	11	1	11	0	0	0	0	9	100
	White	0	0	0	0	0	0	0	0	0	0	0	0
	Total	7	78	1	11	1	11	0	0	0	0	9	100
C	B & ME	3	38	1	13	0	0	2	25	0	0	6	75
	White	1	13	0	0	0	0	1	13	0	0	2	25
	Total	4	50	1	13	0	0	3	38	0	0	8	100
CE	B & ME	0	0	0	0	0	0	0	0	0	0	0	0
	White	0	0	1	100	0	0	0	0	0	0	1	100
	Total	0	0	1	100	0	0	0	0	0	0	1	100
CR	B & ME	1	33	2	67	0	0	0	0	0	0	3	100
	White	0	0	0	0	0	0	0	0	0	0	0	0
	Total	1	33	2	67	0	0	0	0	0	0	3	100
PH	B & ME	0	0	0	0	0	0	0	0	0	0	0	0
	White	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0
PS	B & ME	9	69	1	8	1	8	0	0	0	0	11	85
	White	1	8	0	0	1	8	0	0	0	0	2	15
	Total	10	77	1	8	2	15	0	0	0	0	13	100
HGY	B & ME	20	59	5	15	2	6	2	6	0	0	29	85
	White	2	6	1	3	1	3	1	3	0	0	5	15
	Total	22	65	6	18	3	9	3	9	0	0	34	100

Suspensions

This table shows a summary of suspension cases.

Summary of Suspension Cases	
Case status	Total
No. of cases heard	10
No. of cases not concluded	7
No. of cases not concluded - leaver	0
Total	17

Timescales (no of days) of Suspension Cases

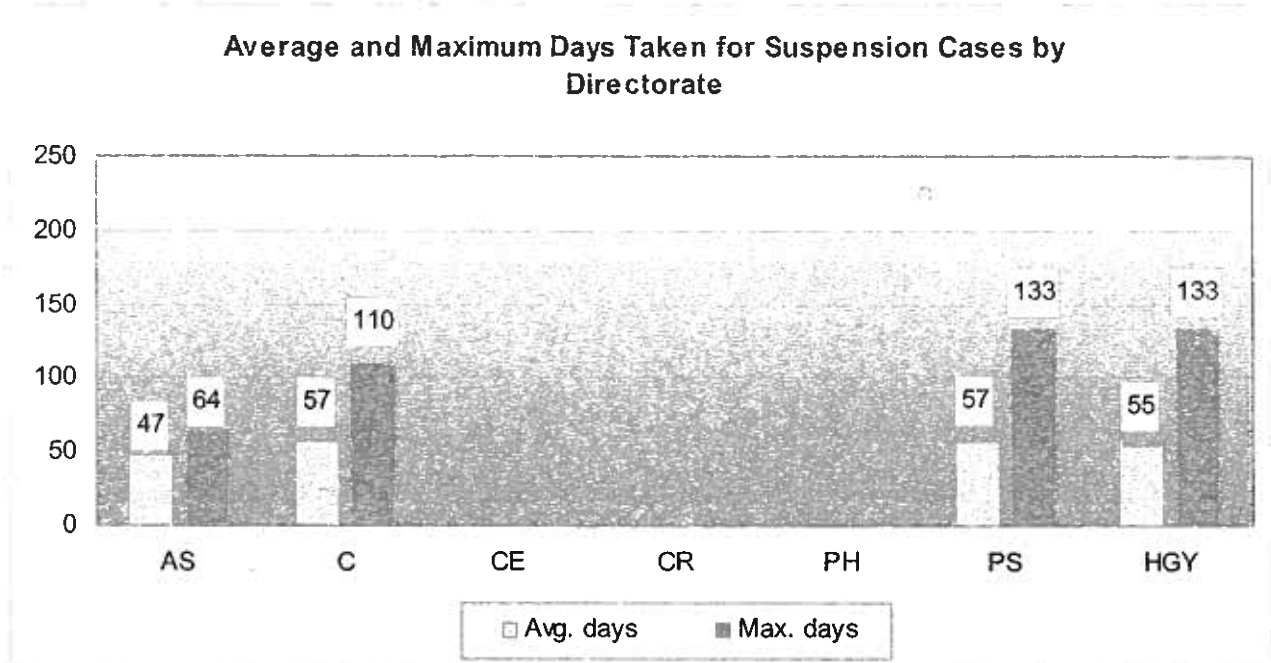
The table below looks at the 17 suspension cases and identifies the no. of working days each case has taken. If a case has not concluded by the end of the quarter, the number of working days is calculated from the start date of the suspension to the end of the quarter.

The table also identifies, by directorate, the average number of days suspension for all cases, the maximum days for a single case and the number of cases heard within that period.

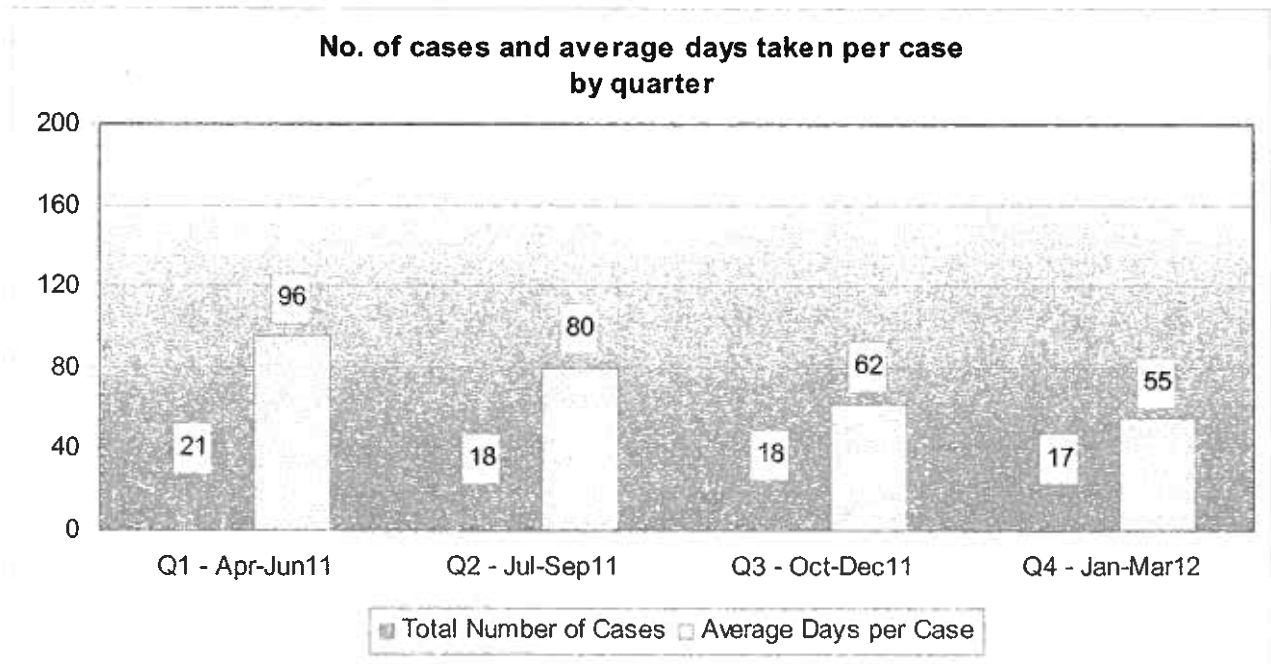
Timescales (no of days) of Suspension Cases										
Directorate	1-60	61-120	121-180	181-240	240+	Total cases	Total days	Avg. days of total cases	Max. Days	Total cases heard
AS	3	1	0	0	0	4	189	47	64	2
C	2	1	0	0	0	3	170	57	110	2
CE	0	0	0	0	0	0	0	0	0	0
CR	0	0	0	0	0	0	0	0	0	0
PH	0	0	0	0	0	0	0	0	0	0
PS	6	3	1	0	0	10	572	57	133	6
HGY	11	5	1	0	0	17	931	55	133	10
Total cases closed	5	4	1	0	0	10				

On average, 55 days were spent on each suspension case within the quarter.

The chart below illustrates the average and maximum number of days taken for a suspension case by Directorate for the quarter.



The chart below looks at the number of suspension cases per quarter for a rolling year and highlights Haringey Council's average number of days per case.



The average number of days suspended for the last quarter was 55, this has reduced again compared to the last quarter and is the lowest it has been compared to the last 3 quarters.