

Annual Governance Statement 2014/15

1. Scope of responsibility

- 1.1 Haringey is responsible for ensuring that its 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. Haringey 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, with regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this, Haringey is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.3 The authority has 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 Council'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 how the Council has complied with the code and also meets the requirements of regulation 4(3) of the Accounts and Audit (England) Regulations 2011, 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 the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; 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 Haringey's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at Haringey for the year ended 31st March 2015 and up to the date of the approval of the annual report and accounts.

3. The governance framework

3.1 The key elements of the systems and processes that comprise the authority's governance arrangements are consistent with the six core principles of the Council's Code of Corporate Governance:

What processes the Council has in place to meet the Corporate Governance Principle	How the Council gets assurance that the Corporate Governance processes work in practice
<p>Corporate Governance – Core Principle 1: Focusing on the purpose of the Council, on outcomes for the community and creating and implementing a vision for the area</p>	
<ul style="list-style-type: none"> • The Corporate Plan 2015-18 sets out the vision and priorities for the Council and was developed and agreed during 2014/15. The plan confirms five key priorities which underpin all the Council's work, including during 2014/15: <ul style="list-style-type: none"> ○ Priority 1: enable every child and young person to have the best start in life, with high quality education; ○ Priority 2: Empower all adults to live healthy, long and fulfilling lives ○ Priority 3: A clean and safe borough where people are proud to live ○ Priority 4: Drive growth and employment from which everyone can benefit ○ Priority 5: Create homes and communities where people choose to live and are able to thrive. • The Medium Term Financial Strategy (MTFS) sets out the Council's spending plans for 2015 to 2018, which was also developed and approved in 2014/15, and is linked to its vision and priorities, within reduced resources and takes into account residents' views from area forums and budget consultations. • The budget for 2015-18 is balanced with £70 million of savings included in the overall budget plans. • The Council's internal governance arrangements are changing to focus on delivering the Corporate Plan priorities, including the implementation of corporate programme boards (Haringey 54k; Business Infrastructure Programme, Customer Services Transformation, Housing and Tottenham Regeneration), which will 	<ul style="list-style-type: none"> • The 2015-18 Council Plan received endorsement from Cabinet in December 2014 and was agreed by Council in February 2015 and is published on the Council's website. Key performance measures and outputs form the basis of reports to Cabinet. • The quarterly performance report to Cabinet provides details on the progress that has been made during 2014/15 against the key indicators and activity in the 2013-15 Council Plan. The latest report in March 2015 identified key measures in educational attainment were in line with or above England averages for the first time and gaps against London averages were narrowing or had been eradicated. Good progress in processing planning applications was also highlighted, with expectations of improved performance in customer service during 2015/16 as the transformation programme takes effect. • Cabinet agendas, reports and minutes are made available on the Council's website to provide transparency. Cabinet meetings are also broadcast via the Council website. • Area Forum and Committee agendas; and Area Committee minutes are available on the Council's website. • The Council's Corporate Programme Board governs the delivery of the corporate transformation programmes. Changes to programme governance to focus on managing risk and delivering outcomes are being put in place during 2015/16. • The Council's Corporate Delivery Unit provides challenge and support to the organisation to deliver on priorities in the corporate plan and in doing so, build organisational capability to continue to

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<p>work to deliver the necessary savings.</p> <ul style="list-style-type: none"> • The consultation process with residents, 'Haringey: where next?' is supported by a Consultation Charter. During 2014/15, a number of consultations were undertaken with residents to ensure the Council is delivering services in line with what residents want and need. • The Council has seven area forums, each led by a local ward Councillor with the agreed terms of reference contained within the Council's constitution. Area forums develop and encourage partnerships with local residents' associations, voluntary and community bodies and other stakeholder groups to raise and address issues of local interest. • The Council's Health and Wellbeing Board is responsible for preparing comprehensive joint strategic needs assessments, joint health and wellbeing strategies, and to have a role in commissioning plans that take those assessments and strategies properly into account. The committee membership reflects the provisions of the Health and Social Care Act 2012 and comprises elected members of the Council, partners from the NHS clinical commissioning group and local Healthwatch and others. • The Council's Director of Public Health and the Health and Wellbeing Board have worked on improving the health and wellbeing of children and adults in the borough and reducing health inequalities. During 2014/15, the Better Care Fund, with funding of £957,000 (£18m in 2015/16), was transferred to the Council to integrate health and social care. • In January 2013, the Council reinstated a Children's Trust. At the Children's Trust meeting on 16.09.2014 it discussed its continued role and purpose to ensure that it can demonstrate its ability to make a difference and shape the children's agenda which it decided to keep under review. • Following consultation with the local community and the completion of a Community Safety Strategic Assessment, the 	<p>deliver. 'Stocktakes' are held with the Chief Executive, Deputy Chief Executive and Leader of the Council every two months, to provide assurance on progress.</p> <ul style="list-style-type: none"> • The Council's budget management position was reported to Cabinet during 2014/15. The budget for Public Health is 'ring fenced' to ensure that resources can only be spent on improving residents' wellbeing and reducing health inequalities across the borough. The monitoring reports to Cabinet provide details on how the Public Health budget is being spent. Budget overspends were reported in both Children's and Adult Social Services in 2014/15. • The Council submitted an Improvement/ Action Plan to Ofsted following the unannounced inspection visit which was reported to Cabinet in December 2014. A 'Quality Assurance Board' has been established to monitor implementation of the Ofsted recommendations. • The LGA concluded that the Council had made significant progress, with good leadership from the Cabinet and senior officers, enabling a clear direction and ambition for the borough to be set out based on sound financial management. Some challenges were highlighted including delivering organisational development and cultural change; delivering the transformation agenda; and developing a corporate approach to resident engagement. <hr/> <p>Actions:</p> <ul style="list-style-type: none"> • There will need to be further discussions about the role of the Children's Trust in the context of the new corporate plan objectives for 2015-18. • Ensure the feedback of the corporate peer challenge, including delivering effective outcomes, is addressed as part of delivering the Corporate Plan. • Ensure the demand-led budgets within Children's and Adult

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<p>Community Safety Partnership prepared a revised Community Safety Strategy for the period 2013-2017 to demonstrate how it and its partners intend to reduce crime and disorder, substance misuse and re-offending in the borough.</p> <ul style="list-style-type: none"> In May 2014, Haringey's Children's Service was subject to an unannounced Ofsted inspection which concluded on the 11 June 2014. The Ofsted report judged Haringey Children's Services to be comfortably within the 'Requires Improvement' grade and the report and recommendations have been welcomed by the Council. A number of key strengths were noted and 11 recommendations were provided, all of which have been accepted. In response to the Ofsted inspection and high profile cases elsewhere relating to Child Sexual Exploitation (CSE), the Council has strengthened its processes, working with the police and other agencies, and information sharing arrangements to identify potential cases of CSE as early as possible. In October 2014, the Council undertook voluntary 'corporate peer challenge' delivered by the Local Government Association (LGA) in order to complement and add value to other performance and activities taking place. The peer challenge is focused on whether the council has: a clear set of priorities; a financial plan to ensure long term viability; effective political and managerial leadership; effective governance and decision making arrangements; organisational capacity and resources focused in the right areas. 	<p>Social Services are managed effectively in 2015/16 to minimise the risk of overspends re-occurring.</p>
<p>Corporate Governance – Core Principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles</p>	
<ul style="list-style-type: none"> The Council's constitution sets out the policy and decision making framework of the authority and is held in hard copy and on the Council's intranet and external website. The roles and responsibilities of the Council, the Cabinet, committees, Councillors including cabinet members, and officers 	<ul style="list-style-type: none"> The constitution is reviewed on an annual basis and updated to reflect functional and organisational changes to the Council. Changes are approved at Full Council, the latest update was approved in July 2014. Regular internal and external audit reviews check compliance with

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<p>are clearly documented within the constitution.</p> <ul style="list-style-type: none"> • The constitution contains protocols governing the relationships between members and officers and job descriptions of the Council's statutory officers (Head of Paid Service, Monitoring Officer and Section 151 Officer). • The Council's constitution contains the Financial and Contract Procedure Rules, which specify the governance framework for all its operational functions. The Constitution was updated to reflect to new Senior Management Structure in July 2014. • The constitution also includes the roles of key compliance officers, including the Council's Monitoring Officer and Section 151 Officer, as well as specific functional responsibilities for the Cabinet, committees, other bodies and officers. • The Council established a Pensions Board Committee to comply with relevant legislation and ensure effective and efficient governance and administration of the Pensions Scheme. The Council, through the Pensions Committee, retains ultimate responsibility for the administration and governance of the Pensions Fund. • A Staffing and Remuneration Committee was also established, separate from the Corporate Committee during 2014/15. • The roles and functions of all Councillors in relation to governance issues are clearly documented, including their responsibilities for ward duties and the governance of the Council in accordance with relevant legislation. • The Council's constitution contains a general scheme of officer delegations and each service area has their own internal scheme of delegation. All schemes are reviewed and communicated on a regular basis to all appropriate officers and members. • The Council's website has an 'Our Standards' page which sets out the expectations and standards required of both officers and members. 	<p>financial and contract procedure rules across the Council and the outcomes of these were reported to the Corporate Committee quarterly during 2014/15. Nine of the Council's key financial systems received a 'substantial' assurance rating; one received 'full' assurance and one (accounts payable) received a 'limited' assurance rating in 2014/15.</p> <ul style="list-style-type: none"> • All relevant officers were briefed on the new requirements of the constitution, including schemes of delegation and authorisation and the requirements to document and publish relevant decisions. <hr/> <p>Actions:</p> <ul style="list-style-type: none"> • Ensure all relevant decisions are documented and published in accordance with statutory requirements.

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<ul style="list-style-type: none"> The Council has an agreed Pay Policy Statement in place which is reviewed and approved by the Corporate Committee prior to Full Council. The Council has approved its commitment to paying employees the London Living Wage and is working to require contractors to implement the same policy. 	
<p>Corporate Governance – Core Principle 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour</p>	
<ul style="list-style-type: none"> Haringey Council has well established codes of conduct for officers and members, which are regularly reviewed and subject to approval by members. The Assistant Director of Corporate Governance is the Monitoring Officer and is responsible for ensuring that the Council acts lawfully and in accordance with the constitution: <ul style="list-style-type: none"> Directors and Assistant Directors have the primary responsibility for ensuring that decisions in their business areas are compliant with the Scheme of Delegation. Standards of conduct and behaviour expected of members are addressed in the members' Code of Conduct set out in the constitution. A Standards Committee is in place. Arrangements are in place to govern the conduct between members and officers, as set out in the Protocol on Member/Officer Relations. The Council's officer code of conduct is reviewed and updated on a regular basis and is published on the Council's intranet site. All new members of staff receive induction training, as part of their induction processes. The Council has a corporate complaints policy, which is compliant with statutory requirements and subject to regular review. The Council operates a 'zero tolerance' approach to fraud and corruption. The anti-fraud and corruption policy includes a fraud 	<ul style="list-style-type: none"> The Council requires all members to formally acknowledge receipt of their code of conduct on an annual basis. No exceptions were noted in 2014/15. Members are provided with briefings on the code of conduct as part of the member induction and training programme. Key statutory training was provided to new Members within the first two weeks of June 2014. Articles are included in staff newsletters, which are published on the Council's intranet, outlining expected standards of behaviour in specific areas and these continued in 2014/15. Internal audit undertake investigations into allegations of financial irregularity and report the outcomes to the Corporate Committee on a quarterly basis. The Council's complaints policy is publicised on the Council's external website and at various public places across the borough. The Council monitors responses to complaints on a weekly basis and reports to Cabinet on the outcomes on a regular basis. 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 2014/15, the Council investigated and recovered over 50 properties and prevented 118 fraudulent Right to Buy applications in line with the anti-fraud policy. The Council received seven whistleblowing referrals in 2014/15

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<p>response plan, anti-bribery and money laundering policies and a whistleblowing policy.</p>	<p>which were all formally investigated. Referrals received are reported to the Corporate Committee.</p>
<p>Corporate Governance – Core Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and risk management</p>	
<ul style="list-style-type: none"> • The Council has processes in place to ensure that decision takers follow due process. • 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. Key elements of the financial management system include integrated budgeting and medium term financial planning systems, regular budget monitoring reports to the Cabinet, systematic review of all key financial control processes, monitoring of key financial and other targets, and formal project management processes. • The Council undertakes equality impact assessments of all major policies and strategies and all proposals for major changes in structures and service delivery models, to ensure that they do not disproportionately have a negative impact on any of Haringey’s communities. Services follow Equality Impact Assessment guidance which was updated in 2014/15. • The Council has processes in place to ensure that decision takers follow due process, that decisions are taken having regard to all relevant considerations and that decisions are properly documented. All relevant decisions taken by officers are recorded and, where required, published on the website. • The Overview and Scrutiny Committee (OSC) is in place to review or scrutinise decisions or actions, in accordance with the protocol in place which sets out how the committee should operate. • Scrutiny panels report through the OSC which makes recommendations to Cabinet, based on evidence gathering, consultation and research. • The functions of an audit committee, as recommended in 	<ul style="list-style-type: none"> • The Council’s internal and external auditors produce annual audit reports and the Annual Audit Letter, which were both reported to the Corporate Committee. Minor issues were identified in relation to the closure of accounts processes but no other significant governance issues were raised by either report. • Regular internal and external audit reviews check compliance with financial and contract procedure rules across the Council and the outcomes of these were reported to the Corporate Committee quarterly during 2014/15. • Through the financial year 2014/15 the counter fraud team successfully led the recovery of more than 50 Council properties where fraudulent tenancy issues were proven. • The Council’s anti-fraud and corruption policy was updated in June 2014 and publicised to all staff via newsletters and the intranet. • Publication of successfully investigated local and national fraud cases demonstrate the consequences of committing fraud are included in the staff newsletter, press releases and the Haringey website. • Full compliance is achieved with CIPFA’s statements on the role of both the Chief Financial Officer and the Head of Internal Audit. • The internal audit service was subject to an independent peer review during 2014/15, with the outcome reported to the Corporate Committee. No significant recommendations were raised. • A list of the equality impact assessments undertaken during 2014/15 is available on the Council website. No Council decisions were successfully challenged on the basis of inadequate equality

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<p>guidance by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Institute of Public Finance, are contained within the remit of the Council's Corporate Committee.</p> <ul style="list-style-type: none"> • The mandatory UK Public Sector Audit Standards (PSIAS) were introduced from April 2013. Self assessment and independent reviews take place to confirm the Council fully complies with the requirements of PSIAS. • Haringey Council has a well-established and publicised anti-fraud and corruption policy and strategy, including a fraud response plan and whistle-blowing policy which complies with relevant legislation and is monitored and managed by Internal Audit. The Council has a free-phone telephone number and email reporting facilities on its external website. Fraud and corruption policies and procedures are contained in the Employee Handbook, and are on the Council's intranet and website. The use of the whistle-blowing processes and fraud reporting procedures are reported on a quarterly basis to Corporate Committee and the reports are published on the Council's website. • The Council has a dedicated counter-fraud resource which undertakes reactive and pro-active fraud reviews based on an assessment of the risks included in the corporate fraud risk register and emerging risks across the public and private sectors. • Haringey has a corporate Risk Management Policy and Strategy which is reviewed on an annual basis and, through a variety of processes and procedures, ensures that risk management is embedded across the organisation and its activities, including business planning and project management processes. • The Council has a corporate risk register and corporate programmes and business areas have risk registers in place. • 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 	<p>impact assessments.</p> <ul style="list-style-type: none"> • The proposed areas to be scrutinised are agreed by the panels and the OSC at the beginning of the municipal year. Cabinet members attend the relevant scrutiny panels to answer questions. The reports are published on the Council's website. • By taking a detailed look at the Council's decisions and policies, Overview and Scrutiny 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. The reports and decisions of the committee are published on the Council's website. • The Council produces a Scrutiny Annual Report which is available on its website. • The Council's programmes and projects identify and review risks in line with the Council's project management framework. • The corporate risk register is reviewed on a quarterly basis by the Statutory Officers' Group and annually by Corporate Committee. A copy of the risk register and the report to Corporate Committee is published on the Council's website. During 2014/15, no significant issues arose out of the identified risks. • The corporate Emergency Planning and Business Continuity Team proved guidance and support to services and carry out regular audits of the business continuity service plans. No significant business continuity incidents were reported in 2013/14. • An independent review of the Council's internal audit function confirmed that it complied with the requirements of the UK PSIAS. The outcome of the review was reported to the Corporate Committee.

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<p>year. Service continuity plans are incorporated into the Council-wide Business Continuity Plan.</p>	
<p>Corporate Governance – Core Principle 5: Developing the capacity and capability of Members and Officers to be effective</p>	
<ul style="list-style-type: none"> • The Council provides a programme of training for members, and all members have access to the Council’s corporate training and development programme. • All permanent staff within the Council receive an annual performance review and appraisal, which is linked to the Council’s management standards and corporate competency framework, and results in individual work targets and development plans. • Senior managers’ performance targets include mandatory requirements for people and budget management. • Legal Services provide briefings to members covering legislative and case law updates. The briefings are designed to ensure that members are kept abreast of developments of legal and political significance in local government on all matters including children and adult social services, education, health, housing, planning and licensing and any other areas of relevance. This enables members to better serve their constituents - at ward surgeries, through informed debate at committees and in their strategic role in developing Council policies. 	<ul style="list-style-type: none"> • Members who sit on the Corporate and Regulatory Committees were provided with training in 2014/15 specific to their responsibilities for these committees. Training sessions included planning, licensing, audit, finance, pensions and treasury. • Member learning development programme commenced in June 2014. • All members have been offered an extensive training programme on matters relating to standards and ethics; children and adults’ safeguarding; public health; freedom of information/data protection and member’s enquiries; scrutiny and the way the Council operates.
<p>Corporate Governance – Core Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability</p>	
<ul style="list-style-type: none"> • Haringey Council’s Consultation Charter sets out how the Council ensures that its consultation is effective and what can be expected from its consultation. This, together with consultation principles, is published on the website. • The Council publishes a resident’s magazine, Haringey People, containing information on Council activities. • Over the period September to November widespread discussions with residents were held to inform the priority setting in the 	<ul style="list-style-type: none"> • Hard copies of Haringey People are delivered to all residential addresses and the magazine is also available via the Council’s intranet and external website. In addition, the Council produces Haringey People Extra, a weekly electronic newsletter for residents. • The results of the budget consultation were published on the Council’s website. • Over 1,118 people took part in the budget consultation process in

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<p>corporate plan and Medium Term Financial Strategy (MTFS). Activity was undertaken by Haringey's Association for Community Organisations (HAVCO), Together North London and Healthwatch Haringey. A business breakfast meeting was also held to understand the views of our business community.</p> <ul style="list-style-type: none"> • Local Area Committees have been operating during 2014/15. These have specific responsibilities and consultative powers and are a vital part of local democratic engagement. • Standing partnership bodies exist for the Children's Trust and the Community Safety Partnership Board. • The Council also has a statutory committee, the Health and Wellbeing Board, made up of members of the Council and health partners including Healthwatch and HAVCO. • The Council has continued to work with Alexandra Palace and Park (APP) to ensure that corporate governance arrangements and internal controls are adequate and this was continued during 2014/15. • The Council has a wholly-owned company, Homes for Haringey Limited (HfH) and is a trustee of APP under the terms of the current operating requirements. The Council provides advice and services to HfH and APP, which have their own board, constitution, memorandum and articles. The accounts of HfH and APP are incorporated into the group accounts of the London Borough of Haringey. The assessment of governance and controls by the relevant officers included an assessment of the governance and controls of HfH and APP. • The Council has started, through its transformation programmes, to develop arrangements for working in partnership with different organisations and sectors within the borough and across London. This work will continue in 2015/16 as the Corporate Plan delivery arrangements are developed. 	<p>a variety of ways including: completing an online survey; attending a borough wide road show, or area forum, or a dedicated outreach event in partnership with community groups to engage young people, older people, Turkish women and members of the Chinese, Polish, Latin American and Muslim communities, or one of 12 focus groups to discuss each corporate plan theme and refresh of the health and wellbeing strategy in greater detail. The results of the budget consultation were used to inform the Medium Term Financial Strategy (MTFS).</p> <ul style="list-style-type: none"> • The MTFS was scrutinised by the four scrutiny panels and recommendations made by the OSC to Cabinet. • The Council reviews annually the independent audit reports for both APP and HfH.

4. Significant governance issues

4.1 The Council identified some key areas where work would be undertaken in 2014/15 to ensure governance arrangements were in place and effective. An action plan was drawn up and progress on this is set out below.

Issue	Action	Progress Update
Corporate governance arrangements.	The Council's Constitution and Scheme of Delegation to Officers were updated to ensure relevant officers are empowered with all appropriate delegated powers and financial responsibilities.	Complete
Control processes within the service responsible for direct payments.	A full reconciliation of all clients and care plans was undertaken; all clients were confirmed as receiving the correct levels of care and no safeguarding issues were identified. Managers implemented new procedures and Internal audit completed a review to confirm that the new control processes were operating effectively and no significant recommendations were raised. A follow up audit will be undertaken during 2015/16.	Complete
Governance arrangements for the Better Care Fund.	The actions set out in the Better Care Fund Implementation Plan were completed. The Haringey Clinical Commissioning Group completed an audit of the implementation processes, with no significant recommendations raised and a follow up audit will be undertaken during 2015/16.	Complete
Changes to the Homes for Haringey governance arrangements.	Interim changes to operational and management arrangements for Homes for Haringey were put in place from October 2014. Further work to consider options on the future delivery of housing services will continue in 2015/16, with a report to Cabinet by the Chief Operating Officer planned for September 2015.	In progress
Governance arrangements for the corporate programmes.	A Corporate Programme Board has been established to oversee the due diligence of the Corporate Programmes. Corporate Programmes are now aligned against the Corporate Plan priorities.	Complete
Oversight and monitoring functions for the Tottenham regeneration programme.	Governance structures, reporting and authorisation processes, and financial and resource monitoring processes have been put in place to deliver the agreed outcomes and objectives. Independent assurance and external challenge processes have reported to the programme board, with no significant recommendations raised.	Complete

- 4.2 The Council has identified the following significant governance issues during 2014/15. 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
Changes to the Homes for Haringey governance arrangements.	Interim changes to operational and management arrangements for Homes for Haringey were put in place from October 2014. Options on the future delivery of housing services will continue in 2015/16, with a report to Cabinet by the Chief Operating Officer planned for September 2015.	Chief Operating Officer	September 2015
Recording and publishing delegated decisions.	Directors and Assistant Directors reported via their assurance statements that, although decisions were taken in accordance with the constitution requirements, the recording and publishing of decisions taken was not always done, or done in a timely manner. Further work will need to be done in 2015/16 to ensure that this issue is addressed and all decisions are recorded and reported according to agreed requirements.	All Directors and Assistant Directors	March 2016
Budget management – Children’s Service and Adult Social Services.	Both the Children’s Service and Adult Social Services reported significant budget overspends in 2014/15. Both Directors have formulated action plans designed to bring the services’ spending in line with approved budgets. These plans will be closely monitored both by officers and members during 2015/16.	Director of Children’s Services; Director of Adult Social Services	March 2016
Corporate Programmes – demonstrating delivery outcomes.	The 2015-18 Corporate Plan outcomes are dependent on the successful delivery of the corporate programmes. These will need to start to demonstrate their benefits realisation objectives during 2015/16 in order to achieve the required outcomes and external funding commitments.	Corporate Programme Managers	March 2016

5. Review of effectiveness

- 5.1 Haringey Council has responsibility for conducting, at least annually, a review of the effectiveness of its 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 Assistant Director for Finance (the Council's statutory section 151 Officer), the Assistant Director of Corporate 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 2014/15. Their comments on the key governance issues are as follows:
- Assistant Director for Finance: There were fairly significant overspends in both the Children's and Adults Services in 2014/15. These were predominantly as a result of additional demand on the services at the same time as both services were coping with budget reductions. In overall terms the Council will be able to report a net underspend on the General Fund revenue account for 2014/15 given prudent financial management of the Council's resources. Both Directors have formulated action plans designed to bring the services' spending in line with approved budgets. These plans will be closely monitored both by officers and members during 2015/16.
 - Assistant Director of Corporate Governance: Significant training was given to Assistant Directors on schemes of authorisation and recording and publishing delegated decisions in 2014/15. Not all relevant delegated decisions were recorded and published in 2014/15 and there is some work necessary to comply with this requirement.
 - Head of Audit and Risk Management: The majority of the Council's key financial systems all received 'substantial' or higher assurance ratings from internal audit in 2014/15, with one system (accounts payable) receiving 'limited' assurance. Work to assist schools to address control weaknesses continued in 2014/15 with improved results as no school received a 'nil' assurance rating. However, 60% of schools visited (8 out of 13) still received 'limited' assurance ratings in 2014/15 and Internal Audit will continue to provide training and guidance for school governors, head teachers, and school finance staff to assist in improving their performance in 2015/16. No other significant governance issues were raised by internal audit during 2014/15.
- 5.3 The Head of Audit and Risk Management has also provided an Annual Audit Report and opinion for 2014/15. The report concluded that in most areas across the Council, with the exception of those areas receiving 'limited' assurance, there are sound internal financial control systems and corporate governance arrangements in place, and that risk management arrangements are satisfactory. All high priority recommendations were confirmed as being implemented when internal audit completed the follow up reviews.
- 5.4 Directors and Assistant Directors have completed a statement of assurance covering 2014/15 which is informed by work carried out by heads of service and managers, internal audit, 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 2014/15, the Council has been able to confirm that 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 with regards to the production of the Annual Governance Statement has been considered by the Chief Executive and officers at the Statutory Officers' Group meetings on 7 April and 2 June 2015 and by the Council's Corporate Committee on 22 June 2015, who concluded that the Council has satisfactory governance systems in place and satisfactory plans to address the identified issues to ensure improvement. The Chief Executive and the Statutory Officers' Group 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 Claire Kober
Leader of the Council

Nick Walkley
Chief Executive

Date: