

MINUTES OF THE MEETING OF THE CORPORATE COMMITTEE HELD ON TUESDAY, 25TH JULY, 2017, 7.00 - 9.15 pm

PRESENT:

Councillors: Barbara Blake (Chair), Eddie Griffith (Vice-Chair), Charles Adje, Isidoros Diakides, Gail Engert, Reg Rice and Viv Ross

148. FILMING AT MEETINGS

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

149. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS (IF ANY)

Apologies for absence had been received from Cllr Adamou, Cllr Berryman, Cllr Jogee, Cllr Sahota and Cllr Ozbek.

150. URGENT BUSINESS

There were no items of urgent business.

151. DECLARATIONS OF INTEREST

There were no declarations of interest.

152. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

There were no such items.

153. MINUTES

RESOLVED

That the minutes of the Corporate Committee held on 21 March 2017 be approved as a correct record and signed by the chair.

154. ANNUAL INTERNAL AUDIT REPORT 2016/2017

The Committee considered the report on the annual internal audit report 2016/17 as presented by Anne Woods, Head of Audit and Risk Management. The report gave an overview of the effectiveness of the internal audit function and details of the audit work undertaken in the previous year. The Committee were given an explanation of the

various mandatory and statutory requirements for internal audit work and given assurance that these had been met by the council.

The Committee noted that there was a total of 64 audits during the year and discussed the assurance level outcomes of these. Overall it was reported that the audit work found the control environment to be adequate and effective. However, the specific audits that received either a 'limited' or 'no assurance' rating highlighted key governance issues which as a result had been picked up in the annual governance statement that was due to be considered in item 8 of the agenda.

In response to a question from the Committee the Head of Audit and Risk Management confirmed that the 3 audits that received a 'no assurance' rating were in relation to schools. It was also confirmed that advisory work completed were on key financial systems so did not receive assurance ratings as these are tested on a continual basis.

The Committee asked what was being done regarding schools as this was an area that was consistently being flagged as a concern. It was confirmed that more information was detailed within the governance statement as to how the schools risk issues on financial management is being addressed and that a report would be presented to the Committee at the September meeting.

The Committee next went onto discuss the tenancy fraud outcomes of 2016/17 and it was reported that 48 properties where tenancy fraud had been identified last year had been recovered. In response to a question from the Committee regarding the area spread of recovered properties from 2014-2017 it was agreed that the Committee would be provided with a more detailed breakdown of the number of council properties within each ward according to size to give a more accurate picture of the fraud outcomes.

Action: Homes for Haringey

The Committee inquired about the fraud investigations related to Right to Buy. It was explained that there was an issue with sub letting as well as fraudulent declarations of earnings and benefits.

RESOLVED

The Corporate Committee noted the content of the Head of Audit and Risk Management's annual audit report and assurance statement for 2016/17.

155. ANNUAL GOVERNANCE STATEMENT 2016/2017

The Committee considered the report on the annual governance statement 2016/17 as presented by Anne Woods, Head of Audit and Risk Management. This involved a presentation highlighting the key aspects of good governance, the role of the Corporate Committee as well as 2016/17's key governance issues and action planning.

The Committee noted the information on how evidence was retrieved to support the governance principals, details of that evidence and where the gaps in compliance were.

The Committee raised the following concerns:

- The Councils disposal of assets. It was agreed that a statement be provided on this for the last 3 years.
- Budget over and under spends. It was agreed that a statement giving more details on this governance issue be provided.
- It was also agreed that a statement detailing 2016/17's significant governance issues be included in the next committee papers.

Action: Head of Audit & Risk Management

The Committee questioned how Brexit may affect staffing at the Council. It was confirmed that work was currently being done to look at the equality data for the work force and more information would be published as part of the Councils pay policy by next March.

RESOLVED

- The Corporate Committee reviewed and approved the draft 2016/17 AGS.
- The Corporate Committee noted the approval timescale and processes for the draft 2016/17 AGS

156. INTERNAL AUDIT PROGRESS REPORT 2016/17 - QUARTER 4

The Committee considered the report on the internal audit progress of 2016/17 quarter 4, as presented by Anne Woods, Head of Audit and Risk Management. The report detailed outcomes of the audit work approved for that quarter along with the advisory work undertaken for the Haringey Development Vehicle.

In response to a concern raised by the Committee regarding the assessments carried out for Deprivation of Liberty, the Head of Audit & Risk Management explained that it was difficult to get suitably qualified assessors in place to do the assessments and due to there being a sizeable backlog and lack of efficient processes it was deemed appropriate to carry out an audit in this area. It was noted that as a result of this audit the backlog has been cleared and assessors are now being trained.

The Committee also discussed the findings from the corporate risk audit on the 'my conversation' performance review process. In particular the non response of staff to repeated requests for information. The Chair agreed that this would be looked at and reported back to the Committee.

Action: Head of Audit & Risk Management/Chair

In the Committees consideration of the internal audit report on Haringey's development vehicle it was confirmed that there was currently an interim team working on the project and that dedicated HDV email addresses would be used for the purpose of ensuring clarity of role and function. It was explained that this would be a similar relationship to that of Haringey and Homes for Haringey and would allow the

council right of access to information relating governance arrangements. This would be part of the management agreements and contracts.

BDO, the external auditors summarised the reason behind their completion of the audit work on the HDV. They advised the Committee that as a result of this audit they were content that sufficient work had been done around the due diligence of the finance and legal aspects of the project. It was agreed that the letter sent by BDO to the S151 officer would be shared with the Committee.

Action: Deputy Chief Executive

The Committee requested a copy of the QC's advice received by the Cabinet. It was agreed that this request would be put forward to the Monitoring Officer.

Action: Deputy Monitoring Officer

RESOLVED

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

157. COUNTER FRAUD UPDATE QUARTER 4

The Committee considered the Counter Fraud Update report 2016/17, quarter 4, as presented by Anne Woods, Head of Audit & Risk Management.

The report detailed the tenancy and pro-active counter fraud from the last quarter. The Committee were also directed to appendix A which highlighted the disciplinary outcomes of the in house audit irregularities investigated.

RESOLVED

The Corporate Committee noted the counter-fraud work completed in the quarter to 31 March 2017.

158. EXTERNAL AUDIT PROGRESS UPDATE

The Committee considered the regular progress update from the external auditors and were informed that work on the audit & financial statement was ongoing and would be presented at the next meeting.

It was reported that following the housing benefit audit work conducted, which concluded that due to processing errors there would be a loss of up to £1.5m, a substantial amount of work has been done by the teams to improve this. As a result, the total loss had reduced to £350k.

The Committee questioned why the work on income raised from parking charges and housing land was still ongoing and had not been completed. It was reported that this was to be completed by Grant Thornton but they had been unable to do this due to lack of information being provided to them by the Council.

It was agreed that this issue should be raised with the appropriate service in order for this area of work to be completed.

Action: Deputy Monitoring Officer

In response to a question from the Committee regarding the outcome of the LOBOs audit work it was confirmed that BDO's provisional view is that Haringey have the 'plain vanilla' LOBO's and the decision taken at the time was not unlawful. It was also confirmed that Haringey were in compliance with the regulations of 2003 and the decision taken was reasonable at that time.

RESOLVED

The Committee noted the content of the report.

159. ANY OTHER BUSINESS OF AN URGENT NATURE

There were no items of urgent business.

160. DATE AND TIME OF NEXT MEETING

Thursday 21st September 2017

CHAIR: Councillor Barbara Blake

Signed by Chair

Date