

Governance, Audit and Risk Management Committee AGENDA

DATE: Tuesday 6 September 2011

TIME: 7.30 pm

VENUE: Committee Room 5,
Harrow Civic Centre

MEMBERSHIP (Quorum 3)

Chairman: Councillor Sachin Shah

Councillors:

Sue Anderson	Chris Mote
Mano Dharmarajah	Richard Romain
Thaya Idaikkadar (VC)	Yogesh Teli

Reserve Members:

- | | |
|-------------------|--------------------|
| 1. Ben Wealthy | 1. Tony Ferrari |
| 2. Ajay Maru | 2. Stephen Wright |
| 3. Krishna Suresh | 3. Anthony Seymour |
| 4. Krishna James | |

Contact: Lysandra Dwyer, Democratic Services Officer
Tel: 020 8424 1264 E-mail: lysandra.dwyer@harrow.gov.uk

AGENDA - PART I

1. APPOINTMENT OF MEMBER

To note the appointment of Councillor Chris Mote as a Member of the Governance, Audit and Risk Management Committee in place of Councillor Barry Macleod-Cullinane in accordance with Council Procedure Rule 1.5 and following notification from the Conservative Group Leader.

2. ATTENDANCE BY RESERVE MEMBERS

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) the meeting notes at the start of the meeting at the item 'Reserves' that the Reserve Member is or will be attending as a reserve;
- (iv) if a Reserve Member whose intention to attend has been noted arrives after the commencement of the meeting, then that Reserve Member can only act as a Member from the start of the next item of business on the agenda after his/her arrival.

3. DECLARATIONS OF INTEREST

To receive declarations of personal or prejudicial interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee;
- (b) all other Members present.

4. MINUTES (Pages 1 - 10)

That the minutes of the meeting held on 28 June 2011 be taken as read and signed as a correct record.

5. PUBLIC QUESTIONS

To receive questions (if any) from local residents/organisations under the provisions of Committee Procedure Rule 17 (Part 4B of the Constitution).

6. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Committee Procedure Rule 15 (Part 4B of the Constitution).

7. DEPUTATIONS

To receive deputations (if any) under the provisions of Committee Procedure Rule 16 (Part 4B) of the Constitution.

8. REFERENCES FROM COUNCIL AND OTHER COMMITTEES/PANELS

To receive references from Council and any other Committees or Panels (if any).

9. DRAFT FINAL ACCOUNTS (To Follow)

Report of the Interim Director Finance

10. PROGRESS ON AUDIT OF ACCOUNTS

Oral Update from the Interim Director Finance and External Auditors.

11. WHISTLEBLOWING REPORT (Pages 11 - 28)

Report of the Director of Legal and Governance Services.

12. ANNUAL GOVERNANCE STATEMENT 2010/11 (Pages 29 - 154)

Report of the Assistant Chief Executive.

13. MANAGEMENT ASSURANCE REPORT 2010/11 (Pages 155 - 186)

Report of the Assistant Chief Executive

14. INFORMATION REPORT - RISK, AUDIT & FRAUD ACTIVITY UPDATE REPORT (Pages 187 - 198)

Report of the Assistant Chief Executive.

15. RISK MANAGEMENT UPDATE AND DRAFT RISK MANAGEMENT STRATEGY (Pages 199 - 224)

Report of the Assistant Chief Executive.

16. INFORMATION REPORT - CIVIL CONTINGENCIES TEAM (EMERGENCY PLANNING & BUSINESS CONTINUITY) ACTIVITY UPDATE REPORT (Pages 225 - 236)

Report of the Assistant Chief Executive.

17. ANY OTHER URGENT BUSINESS

Which cannot otherwise be dealt with.

18. EXCLUSION OF THE PRESS AND PUBLIC

To resolve that the press and public be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of confidential information in breach of an obligation of confidence, or of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972:

<u>Agenda Item No</u>	<u>Title</u>	<u>Description of Exempt Information</u>
19.	Appendices 2 – 4 of the INFORMATION REPORT - Civil Contingencies Team (Emergency Planning & Business Continuity) Activity Update Report) Information under paragraph 3 (contains information relating to the financial and business affairs of any particular person (including the authority holding that information)).

AGENDA - PART II

19. **INFORMATION REPORT - CIVIL CONTINGENCIES TEAM (EMERGENCY PLANNING & BUSINESS CONTINUITY) ACTIVITY UPDATE REPORT** (Pages 237 - 252)

Appendices 2-4 to the report of the Assistant Chief Executive.

GOVERNANCE, AUDIT AND RISK MANAGEMENT COMMITTEE MINUTES

28 JUNE 2011

Chairman: * Councillor Sachin Shah

Councillors: * Sue Anderson * Ajay Maru (2)
* Tony Ferrari (1) * Richard Romain
* Thaya Idaikkadar * Yogesh Teli

* Denotes Member present
(1), (2) Denote category of Reserve Members

79. Attendance by Reserve Members

RESOLVED: To note the attendance at this meeting of the following duly appointed Reserve Members:-

Ordinary Member

Councillor Mano Dharmarajah
Councillor Barry Macleod-Cullinane

Reserve Member

Councillor Ajay Maru
Councillor Tony Ferrari

80. Vote of Thanks

Members noted the recent death of Councillor John Cowan. All attendees at the meeting observed a minutes silence in his honour as former Chairman of the Governance, Audit and Risk Management Committee.

81. Declarations of Interest

RESOLVED: To note that the following interest was declared:

Agenda Item 10 – Annual Health & Safety Report 2010/11

Councillor Sue Anderson declared a personal interest in that her husband was the Chair of Governors at Kingsley School. She would remain in the room whilst the matter was considered and voted upon.

82. Appointment of Vice-Chairman

RESOLVED: To appoint Councillor Thaya Idaikkadar as Vice-Chairman of the Governance, Audit and Risk Committee for the 2011/2012 Municipal Year.

A Member requested that his vote against the appointment of Councillor Idaikkadar be recorded. He considered that appointing a Cabinet Member as Vice-Chairman of the Committee was a breach of the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance.

83. Minutes

RESOLVED: That the minutes of the meeting held on 29 March 2011, be taken as read and signed as a correct record.

84. Public Questions, Petitions and Deputations

RESOLVED: To note that no public questions were put, or petitions or deputations received at this meeting.

RESOLVED ITEMS

85. References from Council and other Committees/Panels

RESOLVED: That the reference from Cabinet be considered in conjunction with Agenda Item 12

86. INFORMATION REPORT - Risk, Audit & Fraud Division Activity Update

The Committee received a report that set out the progress made in January to March, quarter 4 of 2010/11 and future work planned in respect of the Risk, Audit and Fraud group of services. Members were advised that:

- the emergency planning team had participated in a number of events and activities both local and London-wide. Preparations for the Olympics as part of the PAN London team were also underway. The team had also worked with multi-agency partners to formalise an emergency response action plan and respond to a number of local incidents and their aftermath. A report on the response to the recent burst water main on Marsh Lane, Stanmore would be submitted to a future Committee meeting;
- the main activity during quarter 4 for the Business Risk Management officer was the assurance mapping project which was a comprehensive governance exercise that identified sources of assurance against the Council's strategic risk;

- following the conclusion of a LEAN review of the Insurance Service, work had commenced on restructuring the team and streamlining its processes in line with recommendations arising from the review;
- the Corporate Anti-Fraud Team (CAFT) had conducted a number of successful investigations and prosecutions relating to benefit and Corporate fraud. Officers would include case studies of successful prosecutions in all future reports to the Committee. The team had also secured funding to appoint a specialist Housing Investigations Officer on a temporary basis to assist in housing tenancy fraud and misuse. Officers reported that more detailed reports on the work completed in this area would be provided in the quarter 1 activity update.

In response to questions asked by Members, officers reported as follows:

- To assist the Committee in identifying the progress made by the Risk, Audit and Fraud division against targets for previous years, officers would include performance indicators in future reports;
- as a result of a successful prosecution, the Internal Audit team had reviewed stock control throughout all libraries within the borough. Following an investigation, the team had made recommendations to ensure that existing systems were more robust. An officer confirmed that the systems would be reviewed once all the recommendations from the review had been implemented;
- the employment of the temporary Housing Investigations Officer had been supported by grant funding provided in 2011/12. It was possible that future funding for this appointment would be made available if the requirement for this role was necessary;
- one member of staff was currently employed to finalise work relating to Business Risk Management which primarily supported the strategic risk register, updated the risk management strategy and monitored the Directorate Risk Register by consulting with Corporate Directors. An officer confirmed that the Business Risk Management team would be reporting to the Internal Audit team in the future;
- officers would prepare a report relating to the financial cost of insurance premiums for the next GARM Committee meeting on 6 September 2011.

The Chairman requested that where possible Members of the Committee may wish to attend court cases relating to work of the CAFT team.

RESOLVED: That the current workstreams of the Risk, Audit and Fraud group of services be noted.

87. INFORMATION REPORT - Annual Health and Safety Report 2010/11

An officer presented a report that summarised the Council's health and safety performance for the year 1 April 2010 to 31 March 2011. The officer also provided an update of activities and outlined information on outcome

measures, including training and accidents. The Committee were advised that:

- three improvement notices relating to asbestos management were served on the Council in June 2010 by the Health & Safety Executive (HSE). These notices were all removed in November 2010 following the delivery of training to employees on asbestos removal;
- to reinforce safety management within the Council an improvement plan had been devised alongside a two year programme that worked towards achieving the requirements of the plan;
- the Council had launched a new Accident Reporting procedure on the Intranet. This allowed staff to submit accident forms electronically, which officers believed could be attributed to the small increase in the number of reported accidents. It was considered that this would enable officers to identify areas for improvement and trends within each Directorate.

Whilst considering the report, Members had a number of queries, to which officers reported that:

- Health and safety matters were considered by the Council's Corporate Strategy Board (CSB) on a regular basis. It was noted that three of the five staff members in the Corporate Health and Safety team were employed on an Interim basis. Members of CSB would discuss the structure of the team at a future meeting;
- the majority of reported accidents occurred in schools and were typically slips, trips and falls. Many of these incidents related to managing children in special needs schools. It was considered that the introduction of the new accident report form and database together with the support of the Corporate Health and Safety Advisory Service had led to an increase in the number of reported accidents. The Corporate Health and Safety team would monitor how accidents were reported, identify any emerging trends and respond accordingly. Members noted that major accidents, such as broken limbs and serious falls were reported directly to the Health and Safety Executive;
- issues relating to asbestos in the Council's housing stock had been reported to the Housing department and included in the Decent Homes Programme, scheduled for completion in 2015. Officers would seek confirmation on whether housing related issues were monitored by the Corporate Health and Safety team and advise Members accordingly;
- officers had noted that the existing framework agreement for Occupational Health Services had delivered savings of approximately £35,000 and improved areas within the service. The Council had experienced the benefits of other framework agreements within other areas within the Council.

RESOLVED: That the report be noted.

88. INFORMATION REPORT - Outturn Report 2010/11 and Progress on Draft Accounts Preparation

Members of the Committee received the Outturn report 2010/11 that had been considered at the Cabinet meeting on 22 June 2011. The Interim Director of Finance reported that:

- the Section 151 officer would complete and approve the accounts by 30 June 2011. According to the provisions in the Accounts and Audit Regulations 2011, the Committee were no longer required to approve the draft financial statements prior to them being audited by the external auditor. Members would be invited to attend a detailed briefing on the draft accounts prior to their formal presentation at the next Committee meeting on 6 September 2011;
- there was a net revenue underspend of £1.1 million, which represented a 0.7% variation in the budget. Almost two-thirds of the underspend had been used to increase general reserves to £7 million. The remaining underspend would be used to establish a Transformation and Priority Initiatives Fund that would meet redundancy costs and support savings initiatives. Any decisions made in relation to the fund would be approved by the Leader of the Council and the Chief Executive and reported to Cabinet as part of the quarterly budget monitoring report.

A verbal update on the progress of the Annual Governance statement was provided which advised Members that the draft statement would be ready by 30 June 2011. The management assurance exercise that supported the annual governance statement was underway and would be reported to the Committee in September.

RESOLVED: That:

- (1) the progress on preparing the annual accounts for approval by the s151 officer be noted; and
- (2) the verbal update on the progress of the management assurance exercise by Internal Audit be noted.

89. Treasury Management Outturn Report 2010/11

The Committee received a reference and report from the Cabinet meeting on 22 June 2011 on the Treasury Management Outturn Report 2010/11. The report set out a summary of the Treasury Management activities during 2010/11 and was referred to the GARM Committee for review. Members noted the recent changes to the regulatory framework and best practice policies for Treasury Management activities.

RESOLVED: That

- (1) the reference be noted;

- (2) the progress of treasury management activities in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Codes of Practice on Treasury Management and Capital Financing on Local Authorities be noted.

90. INFORMATION REPORT - Capital Governance and Implementation Plan

An officer presented a report that provided an update on Capital Governance and set out the progress against the Capital Implementation Plan following the investigation into the overspend in the Children's Services Capital Programme. Key staff within Finance, Children's Services and Community and Environment had worked collectively to implement the detailed and specific recommendations arising from the investigation. The officer advised that some key actions had been implemented and some would develop over time.

The key actions that had been implemented included:

- A clear and comprehensive approval process to manage capital schemes agreed as part of the 2011/12 Capital Programme;
- enhancing the role of the Capital Forum to ensure that greater financial controls were in place. The Interim Director of Finance had been appointed as the Chairman of the Forum. The Forum would consider the business case for all new schemes on the current Capital Programme. All schemes required approval from the relevant Corporate Director, Portfolio Holder and Finance Business Partner before submission to the Capital Forum. All approved business cases would then be presented to the Leader of the Council for final approval;
- the appointment of an Interim Capital Project Manager to oversee the capital monitoring process and implement the agreed capital recommendations within the Finance team;
- Finance Business Partners undertook testing on capital codes throughout the year to ensure that all expenditure was charged to the right project.

Key actions that would be developed to mitigate against long-term risk to the Council included:

- Monitoring monthly expenditure on all approved capital schemes to ensure that they were in line with the agreed budget and progressing in accordance with the project plan;
- developing a Capital Strategy for 2012/13 onwards that would provide an objective framework for decision-making in relation to the size and shape of the Council's capital programme. It was hoped that this would provide a robust framework for capital bids that would initially be considered in the third quarter of 2011/12. The final strategy and capital bids would be considered in the Medium Term Financial Strategy and approved by Cabinet and Council alongside the revenue budget;

- reviewing the Council's Financial Regulations to strengthen rules governing capital expenditure and the management and reporting of capital projects. Training would be provided to key staff within the Council;
- Developing a single mandatory process for project management across the Council that would require compliance and support for the capital programme and provide all project managers with compulsory training;

Members were reminded that:

- Cabinet had requested that the GARM Committee monitor and report on the implementation of the recommendations made in the investigation;
- 53% of the actions outlined in the implementation plan had been implemented, 40% were not yet due and 7% of actions were incomplete although implementation was imminent or had passed;
- the Internal Audit team had been instructed to verify the process and would continue to monitor and review the progress of implementation against the planned actions;
- a further update of this work would be presented with the mid-year Internal Audit report at a future GARM Committee meeting.

RESOLVED: That:

- (1) the update on capital governance be noted; and
- (2) the progress against the Capital Implementation Plan be noted.

91. INFORMATION REPORT - Internal Audit Year-End Report 2010/11

The Committee received a report that set out the progress against the Internal Audit Plan 2010/11 and key issues arising from work undertaken. Members were advised that:

- The Internal Audit team had achieved 91% of the annual work plan for 2010/11 and all key service activities identified in the 2010/11 Internal Audit Delivery Plan had been achieved;
- the interim audit opinion was based on internal audit risk based work and an independent investigation carried out in 2010/11. The opinion considered the adequacy and effectiveness of organisational control environment for the 2010/11 financial year which was assessed as "adequate to good". The opinion would be updated once the core financial systems work had been completed and the management assurance exercise for 2010/11 was available;

- Audit reports were traffic lighted to indicate the level of assurance that could be obtained from a system under review. Green reports indicated that the system was well controlled and presented a low risk to the authority. Whereas, red reports required improvements to the control environment. As the internal audit plan was risk based and considered systems that had been identified as high risk, it was anticipated that a high number of audits would be given a red/amber assurance. Officers within the Internal Audit team worked with each respective team to ensure that robust measures were taken to strengthen the control environment;
- a further report on the performance of the Internal Audit team would be presented to the GARM Committee meeting on 1 December 2011.

RESOLVED: That the report be noted.

92. 2011/12 Internal Audit Plan

An officer presented a report of the Assistant Chief Executive that set out the 2011/12 Internal Audit Plan, Internal Audit Delivery Plan and the Internal Audit Strategy. Members were reminded that:

- the draft Internal Audit Plan had been considered at the GARM Committee meeting on 29 March 2011;
- the draft plan had been refined to include reviews of key risk that could be achieved within the Internal Audit team's resources. The final plan was flexible to enable emerging risks to be addressed.

RESOLVED: That

- (1) the 2011/12 Internal Audit Plan be approved;
- (2) the Internal Audit Delivery Plan and Strategy be noted.

93. Appointment of Member

Item withdrawn from the agenda.

94. Exclusion of the Press and Public

RESOLVED: That the press and public be excluded from the meeting for the following items for the reasons set out below:

<u>Item</u>	<u>Title</u>	<u>Reason</u>
18.	INFORMATION REPORT – Internal Audit Year-End Report 2010/11 (Appendix B)	Information under paragraph 1 (contains information relating to any individual). Information under paragraph 7 (contains information relating to any action taken or to be taken in

19. INFORMATION REPORT – Green and Amber Audit Reports
- connection with the prevention, investigation or prosecution of crime).
- Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person (including the authority holding that information)).

AGENDA - PART II

95. INFORMATION REPORT - Internal Audit Year-End Report 2010/11

The Committee considered Appendix B to the Internal Audit Year-End Report. Members were advised that the financial irregularities related to internal and external matters.

RESOLVED: That Appendix B to Agenda Item 14 be noted.

96. INFORMATION REPORT - Green and Amber Internal Audit Reports & Follow Up Reports

The Committee considered a report that included an update on the actions taken by the Internal Audit team to address areas of key risk within the Council. Members were reminded that “red reports” sent to them directly outside of Committees were confidential.

RESOLVED: That the reports be noted.

(Note: The meeting, having commenced at 7.29 pm, closed at 9.48 pm).

(Signed) COUNCILLOR SACHIN SHAH
Chairman

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**REPORT FOR: GOVERNANCE, AUDIT
AND RISK MANAGEMENT
COMMITTEE**

Date of Meeting: 6 September 2011

Subject: INFORMATION REPORT - Whistle-blowing

Responsible Officer: Hugh Peart, Director of Legal and Governance Services

Exempt: No

Enclosures: Whistle-blowing Policy

Section 1 – Summary

This report sets out information on how the Council deals with Whistle-blowing complaints, in accordance with the requirements of the Public Interest Disclosure Act 1998.

FOR INFORMATION

Section 2 – Report

Background

- 2.1 The Public Interest Disclosure Act 1998 (The Act), commonly referred to as the 'Whistle-blowing Act', provides legal protection to workers against being dismissed or penalised by their employers, as a result of making a 'protected disclosure' over concerns about malpractice or wrongdoing.
- 2.2 The Act protects workers who disclose information in good faith which they reasonably believe tend to show one or more of the following matters is either happening now, took place in the past, or is likely to happen in the future:
- a criminal offence;
 - the breach of a legal obligation;
 - a miscarriage of justice;
 - a danger to the health or safety of any individual;
 - damage to the environment; or
 - deliberate covering up of information tending to show any of the above five matters.
- 2.3 The two principal rights covered by the Act are a right not to be dismissed and a right not to be subject to a detriment, e.g. the denial of promotion, because the worker has made a protected disclosure.
- 2.4 The provisions of the Act represent an exception to the normal duties of confidentiality that a worker owes to their employer as they allow concerns to be raised, in specified circumstances, to certain external authorities as well as to the employer.

Current situation

- 2.5 The Council does not limit the issue of whistle-blowing to the types of concern specifically listed in the Act. In common with most authorities, the Council's policy is broader in scope, covering any impropriety, breach of procedure or failure of the manner in which services are being provided, including suspected breach of the Council's Constitution, Contract Procedure Rules and Financial Regulations. The Policy was most recently considered and approved by the Standards Committee on 26 March 2007.
- 2.6 The Policy has been strongly recommended for adoption by school governing bodies, following consultation with their staff. Governing bodies are urged to adhere to the principles outlined in the Policy.

2.7 The Policy's stated aims are to:

- encourage workers to feel confident in raising serious genuine concerns and to question and act upon concerns;
- provide avenues for workers to raise those concerns and receive feedback on any action taken;
- encourage and enable workers to raise serious concerns within the Council rather than overlooking a problem or taking it outside of the organisation.
- ensure that workers are aware of how to pursue concerns if they are not satisfied with the action taken;
- reassure workers in the strongest terms that they will be protected from possible reprisals or victimisation for Whistle-blowing in good faith in accordance with this procedure.
- ensure for consistency and fairness in dealing with Whistle-blowing across the council.

2.8 The Policy includes the procedure by which Council workers should raise any matter that might qualify as a protected disclosure. The policy provides that concerns should be raised in the first instance with the worker's immediate manager, or a senior council official. The person who raises the concern will receive a written acknowledgement and an explanation of the process by which the matter will be dealt.

2.9 The Policy seeks to ensure that the worker is kept informed throughout the process and, at the end of the matter, receives feedback on the outcome of any investigation, subject to any legal constraints. If they are dissatisfied with the outcome they have the option to refer the matter to an external regulator. The policy lists contact details for the prescribed regulators that deal with different types of disclosure.

2.10 The Policy makes it clear that the Council endeavours to maintain the confidentiality of a person who raises a concern, but in order for the matter to be investigated fully and fairly, complete confidentiality may not be possible. It is also stressed that concerns must be raised in good faith and appropriate action will be taken where the motives behind a complaint are otherwise.

2.11 The Monitoring Officer has overall responsibility for the maintenance and operation of the Whistle-blowing Policy. The Monitoring Officer maintains a register which records all Whistle-blowing complaints.

2.12 The Whistle-blowing Policy is published on the intranet to allow access by staff and Members. The Policy is also available to residents, partners and the general public on the Council's website.

- 2.13 The Coalition's 'Programme for Government' indicated an intention to 'introduce new protection for whistle-blowing in the public sector'. There are currently no proposals to amend provisions in relation to whistleblowing for Local Government. Further to this, a Consultation concluded in January 2011 on proposals to amend the NHS constitution in order to give greater prominence to the issue of whistleblowing. A response to the consultation is still awaited.

The Council's Whistle-blowing Policy in Practice

- 2.14 Recent efforts have been made to better promote the policy including, for example, its inclusion on the Standards Committee's new webpage. Going forward, this will help the Council to monitor the use of the policy more effectively.
- 2.15 During the past ten months, the Council received four complaints under the Whistle-blowing Policy. The first involved a range of allegations relating to financial matters and safeguarding which, following investigation, were found to be unsubstantiated. The second concerned alleged misconduct by a governor at a school. The matter was not investigated as the subject concerned was not an employee of the Council. The third concerned alleged unfair practices within a Council service. Following investigation no malpractice had been found. The fourth concerned an allegation of malpractice within an organisation the Council had no responsibility for. The Council ensured that there were no safeguarding issues in respect those it was responsible for.
- 2.16 One further complaint has been made within the last two months under the whistleblowing policy and is currently being investigated.

Risk Management Implications

- 2.17 The existence of an accessible whistleblowing policy is a key element of the Council's overall risk management.

Section 3 - Financial Implications

- 3.1 All investigations undertaken under the whistleblowing policy were completed within existing budgets.

Section 4 - Corporate Priorities

- 4.1 The report relates to the current corporate priority of 'United and Involved Communities: A Council that listens and leads' by providing information on the background to and the operation of the Council's whistleblowing policy.

Name: Julie Alderson



Chief Financial Officer

Date: 25 August 2011

Section 5 - Contact Details and Background Papers

Contact: Vishal Seegoolam, Senior Democratic Services Officer Ext. 2883

Background Papers:

Public Interest Disclosure Act 1998

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HARROW SCHEME FOR PAY AND CONDITIONS OF SERVICE

SUBJECT:	Whistleblowing Policy and Procedure	
SECTION:	Employment Practices	REF: 3.36
SOURCE:	Approved at Standards Committee 26th March 2007	
AND DATE:	Corporate Joint Committee 7 th March 2001	
APPLICABLE TO:	All workers - see definition below (except staff managed by School Governors)	

1. Policy Statement

The Council is committed to the highest possible standards of conduct, openness, honesty and accountability and takes seriously any issues of malpractice or wrongdoing. Workers are often the first to realise there may be something seriously wrong within the workplace and the Council expects workers who have serious concerns about any aspect of the Council's work to come forward and voice those concerns and to feel supported when doing so.

The Public Interest Disclosure Act 1998 (PIDA) protects workers who 'blow the whistle' about malpractice or wrongdoing within an organisation. This Act makes provision on the kinds of disclosures which may be protected, the circumstances in which such disclosures are protected and persons who may be protected.

2. Who is covered by the Policy?

This policy and procedure applies to all Council employees, permanent and temporary, agency workers, contractors and their staff and Elected Members. It also covers suppliers and those providing services under a contract with the Council in their own premises, for example, care homes. The term "worker" within this document is used to describe any of the above.

This policy does not form part of an employee's contract of employment.

Schools

This policy and procedure is strongly recommended for adoption by School Governing bodies, following consultation with their staff. Governing bodies are urged to adhere to the principles outlined within this policy and procedure.

Where this policy and procedure makes reference to a manager, in schools this normally will be the Head Teacher.

3. Why do we need a Policy?

This policy and procedure is intended to encourage and enable workers to raise serious concerns within the Council rather than overlooking a problem or feeling the need to "blow the whistle" outside.

This policy and procedure aims to:

- encourage workers to feel confident in raising serious genuine concerns and to question and act upon concerns;
- provide avenues for workers to raise those concerns and receive feedback on any action taken;
- encourage and enable workers to raise serious concerns within the Council rather than overlooking a problem or taking it outside of the organisation.
- ensure that workers are aware of how to pursue concerns if they are not satisfied with the action taken;
- reassure workers in the strongest terms that they will be protected from possible reprisals or victimisation for Whistleblowing in good faith in accordance with this procedure.
- ensure for consistency and fairness in dealing with Whistleblowing across the council.

It is recognised that cases may have to proceed on a confidential basis.

4. What is covered by this Policy?

Disclosing a concern which the worker honestly and reasonably believes suggests that malpractice or wrongdoing has happened, is in the process of being committed or is likely to be committed, would qualify for protection under PIDA. Malpractice or wrongdoing include:

- a criminal offence;
- the breach of a legal obligation;
- a miscarriage of justice;
- a danger to the health and safety of any individual;
- damage to the environment; or
- deliberate covering up of information tending to show any of the above.

Although not covered by PIDA, it should be noted that Council employees have a duty to report to the authority any impropriety, breach of procedure or failure of the manner in which services are being provided without fear of recrimination (see Code of Conduct 2.3).

For the avoidance of doubt, this includes a duty to report a suspected breach of the Council's Constitution (including Contract Procedure Rules and Financial Regulations) eg under Section 2 para 28 of the Financial Regulations, Council employees have an obligation to report financial impropriety to Internal Audit/Corporate Anti Fraud Team.

Issues not covered in the above list will be dealt with in one of the ways outlined in Section 8.5 below.

Council employees can seek guidance and advice on how to pursue matters of concern from Human Resources.

5. Safeguards against Harassment or Victimisation

The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action, within its power, to protect workers when a concern is raised. Workers who suffer harassment or victimisation should inform the individual with whom they raised their initial concern.

Workers raising an issue referred to in Section 4 in good faith and in accordance with the PIDA, are protected from harassment, victimisation or any other detrimental treatment, even if their disclosure of any wrongdoing or malpractice is not substantiated after investigation.

PROCEDURE FOR RAISING A CONCERN

See Appendix 1

6. How to Raise a Concern

- Concerns may be raised orally or in writing.
- The worker needs to ensure that the person with whom they raise the concern is fully aware that they are using this procedure.
- Harrow employees may wish to discuss their concern in confidence with their Trade Union representative or work colleague and/or invite their trade union representative or work colleague to be present during any meetings or interviews in connection with the concerns raised.
- Harrow employees can seek guidance or advice on how to pursue matters of concern may be obtained from the Human Resources and advice/support may also be sought from a Trade Union Representative.
- The earlier the concern is raised the easier it is to take action.
- It will be helpful to provide the background and history of the concern (giving relevant dates, names & locations), the reasons for the particular concern about the situation and details of evidence / witnesses.
- Harrow employees may seek assistance with preparing this information from an HR Adviser or Trade Union representative.
- The earlier the concern is raised the easier it is to take action.

7. To whom do I Report my concerns?

Concerns should normally be raised with a Senior Council Officer, for employees this would normally be their immediate manager.

Council employees

Council employees who do not wish to raise the issue with their manager because of the nature, seriousness or sensitivity of the issues involved, can raise their concerns with their Director, or go direct to the Director of Finance (151 Officer), Director of Legal and Governance Services (Monitoring Officer) or the Chief Executive.

Schools

In the case of schools if the concern relates to the Headteacher, this should be referred to the Chair of the Governing Body.

Council Members

Where Council Members have concerns they may wish to first discuss matters with their Group Leader, but this does not discharge the responsibility to report serious matters urgently to either to the relevant Director or the Director of Legal and Governance Services.

For guidance on raising concerns outside the Council, see Section 9 below.

8. How the Council will Respond

- 8.1 Within 5 working days, the person with whom the concern was raised will acknowledge its receipt in writing, irrespective of how the concern was raised.
- 8.2 Where the concern has been raised with a manager, (s)he together with an HR Adviser (or other relevant representative eg from Audit or Child Protection Unit) will decide whether the matter needs to be referred to a more senior officer e.g. Director, Director of Finance (151 Officer), Director of Legal and Governance Services (Monitoring Officer), Chief Executive, Head Teacher, Chair of Governors.
- 8.3 Investigation does not imply either acceptance or rejection of an individual's concerns
- 8.4 The initial enquiry will be undertaken, wherever possible within 10 working days, by the most appropriate Officer(s). This will not involve a detailed investigation, however, sufficient information will need to be gathered in order that a decision can be made as to whether further investigation will take place.
- 8.5 Where appropriate, the matters raised may:
 - be investigated by management, internal audit, or through the disciplinary process
 - be referred to the police
 - be referred to the external auditor or other external investigation
 - form the subject of an independent inquiry
 - be investigated under another procedure e.g. child/adult protection
 - be investigated under other forms of prosecution and inspection e.g. to protect public health and safety
- 8.6 In order to protect individuals and those accused of misdeeds or possible malpractice or wrongdoing, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will have in mind is the public interest. Concerns or allegations which fall within the scope of specific procedures (for example, child protection or discrimination issues) will normally be referred for consideration under those procedures.
- 8.7 Within fifteen working days of a concern being raised, the person with whom the concern has been raised will write to the individual who raised the matter:
 - indicating how they propose to deal with the matter
 - giving an estimate of how long it will take to provide a final response
 - informing them whether any initial enquiries have been made

- supplying them with information on staff support mechanisms, and
 - informing them whether further investigations will take place and who will conduct that investigation, or
 - explaining the reasons why no investigation is to be carried out.
- 8.8 It may be necessary, as part of the investigation, to obtain additional information from the individual who raised the concern.
- 8.9 The investigation may need to be carried out under the terms of strict confidentiality i.e. by not informing the subject of the concern until (or if) it becomes necessary to do so. This may be appropriate in cases of suspected fraud.
- 8.10 The Council accepts that individuals who raise a concern need to know that the matter has been properly addressed. Thus, subject to legal constraints, the worker will be given feedback on any action taken. However, it will not include information relating to specific individuals, which will remain confidential.

9. How the Matter can be taken Further

This policy and procedure is intended to provide workers with an avenue within the Council to raise concerns. The Council hopes workers will be satisfied with any action taken. If not, and they feel it is right to take the matter outside the Council, the matter can be raised with the relevant organisation(s) as listed in Appendix 2.

There may be circumstances where a worker considers that (s)he needs to raise the matter externally. This may be because, for example, there is a need to involve the appropriate external regulatory body, or the worker considers that the matter has not been properly addressed, or that a worker reasonably believes that the matter will be covered up.

If a worker is unsure whether or how to raise a concern or wants confidential advice, contact can be made with the independent charity Public Concern at Work on 020 7404 6609 or at helpline@pcaw.co.uk. Their lawyers can provide free confidential advice on how to raise a concern about serious malpractice or wrongdoing at work.

Further information can also be obtained from the website of the employment service, ACAS (the Advisory, Conciliation and Arbitration Service) at www.acas.org.uk.

In circumstances where a worker decides to raise the matter externally, (s)he will only be protected under this procedure, and under employment law, where the disclosure is made in accordance with the PIDA. This means that the disclosure must fall under one of the categories listed in paragraph 4 above and must be made in one of the following ways:

- a) in the course of obtaining legal advice
- b) to a prescribed regulatory body (listed in Appendix 2) provided the disclosure is made in good faith and the worker reasonably believes the prescribed body is responsible for the matter of concern and that the allegations are substantially true;
- c) to other third parties where the worker makes the disclosure;
 - in good faith, with reasonable belief that the information and allegations are substantially true, and
 - does not make the disclosure for personal gain, and
 - has already raised the matter with the Council or prescribed regulator, unless the worker reasonably believes that (s)he will suffer a detriment, or there is not

- prescribed regulator and (s)he reasonable believes that evidence will be concealed or destroyed if (s)he makes the initial disclosure to the Council, and
- in all of the circumstances it is reasonable to make the disclosure.

d) The disclosure is of an exceptionally serious nature and the whistleblower makes the disclosure:

- In good faith, with reasonable belief that the information and allegations are substantially true, and
- Does not make the disclosure for personal gain, and
- In all of the circumstances it is reasonable to make the disclosure.

Council employees who wish to take the matter outside the Council should check with their Trade Union representative or Human Resources that they are not in breach of the Council's Code of Conduct.

Council employees should not, in any circumstances, approach the media/press.

10. Support for Workers raising a Concern and others affected by the Raising of a concern

- The Council is committed to good practice and high standards and wants to be supportive of individuals who raise concerns.
- The Council will also support individuals affected by the raising of a concern as appropriate.
- Council employees experiencing stress as a result of their involvement in this process can seek counselling and support from the Council's Occupation Health Service or Employee Assistance Programme.
- Council employees can also approach their Trade Union for advice/support throughout the procedure.
- Council employees may also approach their Employee Support Group for support throughout the procedure.
- The employee may find it helpful to involve his or her manager, particularly if they can identify specific support that would be helpful and which the manager feels are reasonable.
- The Council will take steps to minimise any difficulties which individuals may experience as a result of raising a concern, eg if they are required to give evidence in criminal or disciplinary proceedings the Council will arrange for them to receive advice about the procedure and, if necessary, be fully prepared for a Court appearance.
- Where the raising of a concern affects a group of staff, the relevant manager will, having made an assessment, take appropriate action to support the workgroup.

11. Confidentiality

If a worker raises an issue, every effort will be made not to reveal their identity. It must be recognised, however, that in order to investigate the matter, information must be obtained and/or other workers questioned, therefore total confidentiality cannot be guaranteed. If criminal proceedings require that information is passed on it may become necessary to reveal the worker's identity. In such situations the worker will be consulted before this action is taken, however, the Council will endeavour to maintain confidentiality whenever possible.

12. Anonymous Allegations

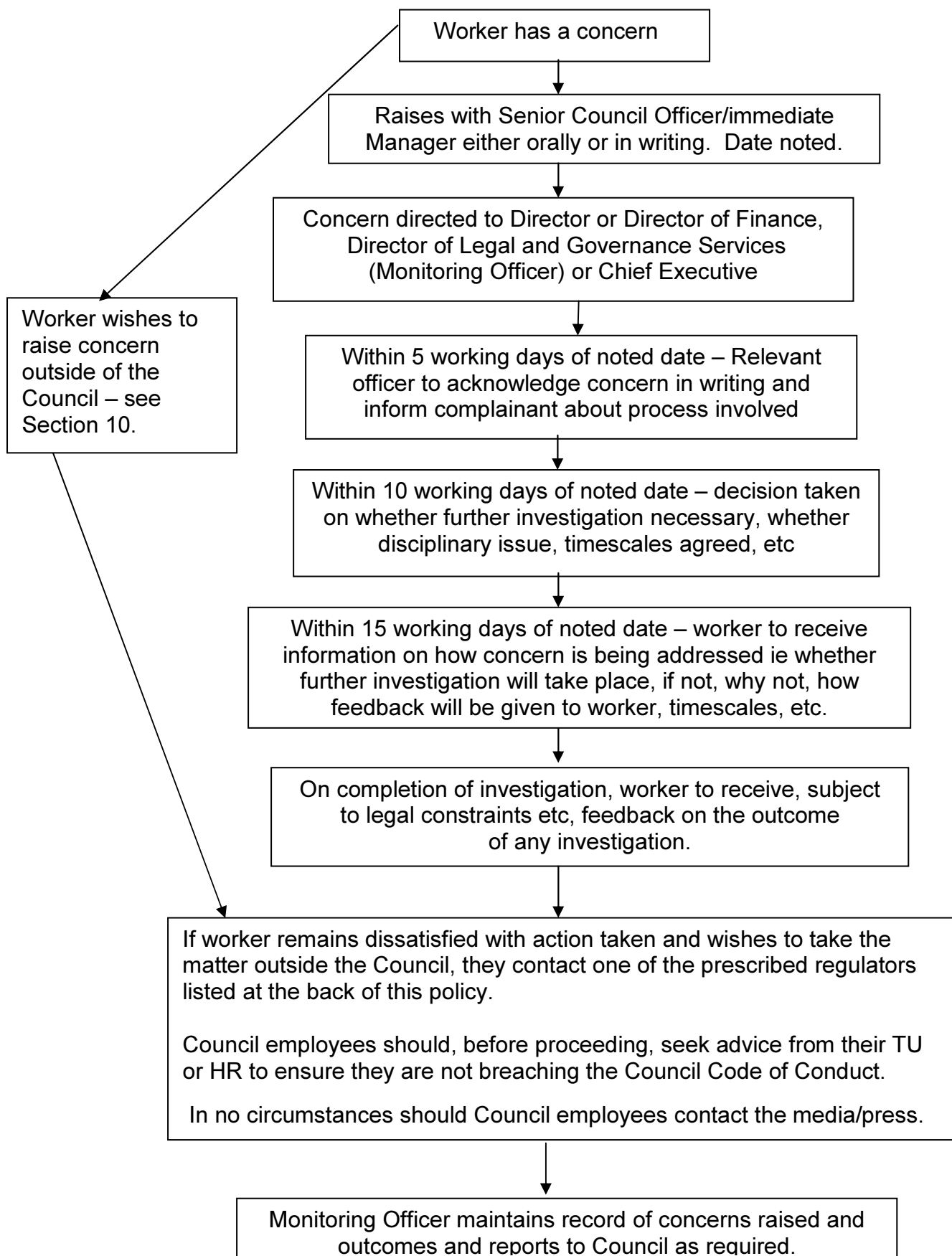
Where a concern is raised anonymously, these will be considered at the discretion of the Council taking into account the seriousness of the issues raised; the credibility of the concern; and the likelihood of confirming the allegation from attributable sources.

13. Untrue Allegations

The Council expects that whistleblowing will be made in "good faith" and will treat abuse of the Whistleblowing procedure extremely seriously. The Council reserves the right to take appropriate action against the whistleblower if they are found not to be acting in good faith.

14. The Responsible Officer

The Director of Legal and Governance Services who is the Council's Monitoring Officer, has overall responsibility for the maintenance and operation of this policy and procedure. This officer maintains a record of concerns raised and the outcomes and will report as necessary to the Council (but in a form which does not endanger confidentiality). All concerns raised through this policy and procedure should be reported to the Monitoring Officer by the manager with whom the concern was originally raised.



APPENDIX 2

This is an edited list of the Prescribed Regulators for England, Scotland and Wales - a copy of the full list is available on the Public Concern at Work website: www.pcaw.co.uk

Prescribed Regulator	Matters in respect of which regulator is prescribed
<p>The Charity Commissioners for England & Wales Liverpool Head of Operations 2nd Floor, 20 Kings Parade Queens Dock Liverpool L3 4DQ Tel: 0870 3330123 Fax: 0151 703 1556 www.charity-commission.gov.uk</p>	<p>The proper administration of charities and of funds given or held for charitable purposes.</p>
<p>Independent Police Complaints Commission 90 High Holborn London WC1V 6BH Tel: 020 7166 3000 www.ipcc.gov.uk</p>	<p>Matters relating to the conduct of a person serving with the police (as defined in section 12(7) of the Police reform Act 2002) or of any other person in relation to whose conduct the Independent Police Complaints Commission exercises functions in or under any legislation.</p>
<p>The competent authority under Part IV of the Financial Services and Markets Act 2000 Head of Listing Department London Stock Exchange Old Broad Street London, EC2N 1HP Tel: 020 7797 3884 Fax: 020 7334 8976</p>	<p>The listing of securities on a stock exchange; prospectuses on offers of transferable securities to the public</p>
<p>The Commission for Healthcare Audit and Inspection Finsbury Tower 103-105 Bunhill Row London EC1Y 8TG Tel: 020 7448 9200 www.healthcarecommission.org.uk</p>	<p>Matters connected with (a) the provision of health care for the purposes of the National Health Service (where "health care" has the same meaning as in section 45(2) of the Health and Social Care (Community Health and Standards) Act 2003), (b) the provision of independent health care services within the meaning of section 5A(8) of the Care Standards Act 2000, or (c) any activities not covered by (a) and (b) in relation to which the Commission exercises its functions.</p>
<p>The Commission for Social Care Inspection 33 Greycoat Street London SW1P 2QF Tel: 020 7979 2000 Fax: 020 7979 2111</p>	<p>Matters relating to the provision of regulated social care services as defined in the Care Standards Act 2000, and the inspection and performance assessment of English local authority social services as defined in section 148 of the Health and Social Care (Community Health and Standards) Act 2003.</p>

www.csci.org.uk	
<p>The Commissioners for Her Majesty's Revenue and Customs Cross Cutting Policy Room 1E/04 1 Parliament Street London SW1A 2BQ Freephone: 0900 595 000 Free fax: 0800 523 0506 E-mail: customs.confidential@hmrc.gov.uk</p>	<p>Value added tax, insurance premium tax, excise duties and landfill tax. The import and export of prohibited or restricted goods. income tax, corporation tax, capital gains tax, petroleum revenue tax, inheritance tax, stamp duties, national insurance contributions, statutory maternity pay, statutory sick pay, tax credits, child benefits, collection of student loans and the enforcement of the national minimum wage.</p>
<p>Comptroller and Auditor General of the National Audit Office 157-197 Buckingham Palace Road Victoria London SW1W 9SP Tel: 020 7798 7999 www.nao.gov.uk</p>	<p>The proper conduct of public business, value for money, fraud and corruption in relation to the provision of centrally funded public services.</p>
<p>Director General of Water Services Office of Water Services Centre City Tower 7 Hill Street Birmingham B5 4UA Tel: 0121 625 1300 Fax: 0121 625 1400 www.ofwat.gov.uk</p>	<p>The supply of water and the provision of sewerage services.</p>
<p>The Director of the Serious Fraud Office Elm House 10- 16 Elm Street London WC1X 0BJ Tel: 020 7239 7272 Fax: 020 7837 1689 www.sfo.gov.uk</p>	<p>Serious or complex fraud.</p>
<p>The Environment Agency Rio House Waterside Drive Aztec West Almondsbury Bristol BS12 4UD Tel: 0800 807060 (24 hour line) or enquiries 01454 624400 Fax: 01454 624409 www.environment-agency.gov.uk</p>	<p>Acts or omissions which have an actual or potential effect on the environment or the management or regulation of the environment including those relating to pollution, abstraction of water, flooding, the flow of rivers, inland fisheries and migratory salmon or trout.</p>
<p>Food Standards Agency Personnel and Establishments Division Food Standards Agency Room 111C, Aviation House 125 Kingsway, London WC2B 6NH Tel: 020 7276 8120</p>	<p>Matters which may affect the health of any member of the public in relation to the consumption of food and other matters concerning the protection of the interests of consumers in relation to food.</p>

<p>Fax: 020 7276 8132 www.food.gov.uk</p>	
<p>General Social Care Council Goldings House 2 Hays Lane London SE1 2HB Tel: 020 7397 5100 Fax: 020 7397 5145 www.gscc.org.uk</p>	<p>Matters relating to the registration of social care workers under the Care Standards Act 2000.</p>
<p>Health and Safety Executive Caerphilly Business Park Caerphilly South Wales CF83 3GG Tel: 0845 345 0055 Fax: 0845 408 9566 www.hse.gov.uk/workers/whistleblowing</p>	<p>Matters which may affect the health or safety of any individual at work; matters which may affect the health and safety of any member of the public arising out of, or in connection with, the activities of persons at work.</p>
<p>Housing Corporation Assistant Director Supervision Housing Corporation 149 Tottenham Court Road London W1T 7BN Tel: 020 7393 2000</p>	<p>The registration and operation of registered social landlords, including their administration of public and private funds and management of their housing stock.</p>
<p>Local Authorities (The local authority which under section 18 of the Health and Safety at Work etc Act 1974 is responsible for the enforcement of the relevant statutory provisions)</p>	<p>Matters which may affect the health or safety of any individual at work; matters which may affect the health and safety of any member of the public arising out of, or in connection with, the activities of persons at work.</p>
<p>Information Commissioner The Office of the Information Commissioner Wycliffe House Water Lane Wilmslow Cheshire SK9 5AF Tel: 01625 545700 Fax: 01625 524510 E-mail: mail@ico.gsi.gov.uk www.informationcommissioner.gov.uk</p>	<p>Compliance with the requirements of legislation relating to data protection and to freedom of information*. (*Data protection legislation regulates the processing of information relating to individuals, including the obtaining, holding, use or disclosure of such information) (*Freedom of information legislation provides for the disclosure by public authorities of the information that they hold).</p>
<p>National Care Standards Commission St Nicholas Building St Nicholas Street Newcastle NE1 1NB Tel: 0191 233 3556 Email: enquiries@ncsc.gsi.gov.uk</p>	<p>Matters relating to the provision of regulated care services, as defined in the Care Standards Act 2000.</p>
<p>The Pensions Regulator Napier House</p>	<p>Matters relating to occupational pension schemes and other private pension</p>

<p>Trafalgar Place Brighton BN1 4DW Tel: 0870 6063 636 Textphone: 0870 2433 123 Fax: 0870 2411144 www.thepensionsregulator.gov.uk</p>	<p>arrangements.</p>
<p>Standards Board for England 1st Floor Cottons Centre Cottons Lane London SE1 2QL Tel: 0845 078 8181 www.standardsboard.co.uk</p>	<p>Breaches by a member or co-opted member of a relevant authority (as defined in section 49(6) of the Local Government Act 2000) of that authority's code of conduct.</p>
<p>HM Treasury Insurance Directorate Parliament Street London SW1P 3AG Tel: 020 7270 1720 Fax: 020 7270 4694</p>	<p>The carrying on of insurance business.</p>
<p>Secretary of State for Trade and Industry Vetting Section Companies Investigation Branch Department of Trade and Industry 10 Victoria Street London SW1H 0NN Tel: 020 7215 3120 Fax: 020 7215 3112 Consumer Affairs Directorate V418 Department of Trade and Industry 1 Victoria Street London SW1H 0ET Tel: 020 7215 5496 Fax: 020 7215 0339</p>	<p>Fraud and other misconduct in relation to companies, investment business, insurance business, or multi-level marketing schemes (and similar trading schemes); insider dealing.</p>
<p>LOCAL AUTHORITIES WHICH HAVE RESPONSIBILITY FOR ENFORCEMENT OF CONSUMER PROTECTION LEGISLATION</p>	<p>Compliance with the requirements of consumer protection legislation.</p>
<p>Local authorities which are responsible for the enforcement of food standards</p>	<p>Compliance with the requirements of food safety legislation.</p>

**REPORT FOR: GOVERNANCE, AUDIT &
RISK MANAGEMENT
COMMITTEE**

Date of Meeting: 6th September 2011

Subject: **Annual Governance Statement
2010/11**

Responsible Officer: Tom Whiting, Assistant Chief Executive

Exempt: No

Enclosures: Appendix 1 - Draft 2010/11 Annual
Governance Statement
Appendix 2 - Draft 2010/11 AGS Action
Plan
Appendix 3 – 2010/11 AGS Assurance &
Evidence Table
Appendix 4 - 2009/10 AGS Action Plan –
Year End Update
Appendix 5 - Updated Code of Corporate
Governance

Section 1 – Summary and Recommendations

This report sets out the Council's Annual Governance Statement (AGS) for 2010/11 required to meet the requirements of the Accounts and Audit Regulations 2011.

Recommendations:

The Committee is requested to:

- 1) Critically review the 2010/11 AGS, the 2010/11 AGS Action Plan and the 2010/11 AGS Evidence Table (Appendix 1, 2 and 3);

- 2) Make recommendations as appropriate to enhance the statement or improve the annual review process;
- 3) Note the progress made on the 2009/10 AGS Action Plan;
- 4) Approve the minor amendments recommended by the Corporate Governance Group to the Code of Governance;
- 5) Note the final Internal Audit opinion on the overall control environment.

Reason: (For recommendations)

To confirm the Council's approach to Corporate Governance and demonstrate our commitment to uphold the highest standards of integrity, openness and accountability. To comply with the requirements of the CIPFA/SOLACE guidance which constitutes 'proper practice' under the Accounts and Audit Regulations 2011.

Section 2 – Report

Introduction

- 2.1 Harrow Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council 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, having regard to a combination of economy, efficiency and effectiveness.
- 2.2 In discharging this overall responsibility, the Council is 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.
- 2.3 The Council has approved and adopted a corporate governance framework and a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. The Annual Governance Statement explains how the Council has complied with the framework/code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2011 in relation to the publication of a statement of internal control (Annual governance Statement).

Annual Governance Statement

- 2.4 Each year the Council undertakes a review of its governance arrangements to ensure the delivery of good governance within a local government framework and current good practice. The purpose of the review is to provide assurance that governance arrangements are adequate and operating effectively and to identify action required to ensure effective governance in the future (AGS Appendix 1, 2010/11 Action Plan Appendix 2).
- 2.5 The Corporate Governance Working Group co-ordinated the annual review compiling an evidence/sources of assurance table (Appendix 3) which was used as a basis for the preparation of the AGS. This was reviewed and ratified on 09/08/11 by the Corporate Governance Group, who have ultimate responsibility for drafting the AGS, evaluating assurances and the supporting evidence.
- 2.6 The Annual Governance Statement is prepared on behalf of the Leader of the Council and Chief Executive. It is submitted to the Governance, Audit and Risk Management (GARM) Committee for consideration and review with the annual accounts to meet the statutory requirement of the Accounts and Audit Regulations 2011 which requires authorities to “conduct a review at least once in a year of the effectiveness of its system of internal control”
- 2.7 It is recognised that the Council is going into a much higher risk environment due to the financial constraints and all the proposed changes in the public sector and that good governance and assurance will be even more important than ever before. It is further recognised that in an organisation that is under considerable pressure with limited resources, it is a challenge to maintain high standards of governance across all areas all of the time. Governance can and does break down on occasions and, when it does, the Council will investigate and learn lessons for the future. Where appropriate, reports on such issues will be presented to the GARM Committee.

2009/10 AGS Action Plan Year End Update

- 2.8 The year end update of the 2009/10 AGS Action Plan shows that the governance gaps identified in 2009/10 were closed fully or partially in 2010/11 for only 55% of gaps identified. Seven actions from 2009/10 have been carried forward to the 2010/11 AGS Action Plan attached to this statement one of which relates to IT Disaster Recovery which was recognised as a significant governance gap in the 2008/09 Annual Governance Statement and remained a gap throughout 2009/10 and 2010/11. Six new gaps have been identified through the annual review of governance process, although none are considered significant by CGG, actions have been agreed to address these and are shown in 2010/11 AGS Action Plan.

Code of Governance Review

2.9 An original Code of Corporate Governance was agreed by the GARM committee in September 2008 with agreement for it to be reviewed annually. The Code was incorporated into the Council Constitution in February 2010. The annual review by the Corporate Governance Group took place in August 2011 and some minor amendments are recommended and shown in blue in Appendix 5 to this report for the GARM Committee's approval.

Internal Audit Opinion on the Overall Control Environment

2.10 An interim opinion was reported to GARM Committee in June 2011 as part of the 2010/11 Internal Audit Year End report and this has now been finalised and the interim assessment confirmed. The adequacy and effectiveness of the organisation's control environment for the 2010/11 financial year has been assessed as "adequate - good" based on the following:

- 59% of the traffic lighted systems reviewed during 2010/11 were given an amber, an amber/green or a green assurance rating;
- 95% of recommendations made during 2010/11 were agreed for implementation;
- 100% of schools assessed passed the Financial Management Standard in schools within the financial year;
- 58% of recommendations followed-up have been implemented, 39% are in progress or are planned at the time of follow-up thus it is expected that in due course 97% will be implemented. 89% of follow-ups resulted in an improved assurance rating.
- 22 suspected financial irregularities were reported to Internal Audit during 2010/11, the majority of irregularities investigated by Internal Audit were either caused by a breakdown/lack of control or where fraud was involved this was a contributing factor. In 18 (82%) cases there was no loss or the loss has been recouped (e.g. from banks, insurance or individuals); in 1 (4%) case there was a loss of over £2000 and in 3 (14%) cases work is ongoing to establish whether a loss has occurred and/or the level.
- An investigation was undertaken by PWC and a specialist consultant into capital expenditure on a small number of schools that identified significant weaknesses in the design and operation of system controls in place resulting in an overspend on the agreed capital programme. A considerable amount of work has been undertaken to improve the controls within the systems for financial control and monitoring of capital projects.
- The management assurance exercise confirmed that 77% of the areas of assurance covered by the self-assessment process are working well across the Council i.e. above the assurance level set of 80% for each area, and have been given a green assurance rating.
- 95% of controls reviewed within the Council's core financial systems were either operating fully or substantially, with the remaining 5% operating partially.

Financial Implications

2.11 Financial implications have been addressed, where relevant, in the main body of the report.

Risk Management Implications

2.12 The work of internal audit supports the management of risks across the council.

Corporate Priorities

2.13 Internal Audit contributes to all the corporate priorities by enhancing the robustness of the control environment and governance mechanisms that directly or indirectly support these priorities.

Section 3 - Statutory Officer Clearance

Name: Julie Alderson	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 19 August 2011		
Name: Hugh Peart	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 17 August 2011		

Section 4 - Contact Details and Background Papers

Contact: Susan Dixson, Service Manager, Internal Audit,
Tel:0208 424 1420

Background Papers: None.

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1 Annual Governance Statement

1.1 Scope of Responsibility

- 1.1.1 Harrow Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council 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, having regard to a combination of economy, efficiency and effectiveness.
- 1.1.2 In discharging this overall responsibility, the Council is 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 i.e. it is responsible for ensuring a sound system of governance.
- 1.1.3 The Council has approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government*'. The code has been taken into account in drafting our constitution and a copy can be obtained from Harrow Council, Civic Centre, Station Road, Harrow, Middlesex HA1 2XF or from our website at: http://www.harrow.gov.uk/downloads/file/8017/part_5k-code_on_corporate_governance. This statement explains how the Council has complied with the code and the governance framework and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2011 in relation to the publication of this Annual Governance Statement.

1.2 The Purpose of the Governance Framework

- 1.2.1 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 consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 1.2.2 The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Harrow Council'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.
- 1.2.3 The governance framework has been in place at Harrow Council for the year ended 31 March 2011 and up to the date of approval of the statement of accounts.

1.3 The Governance Framework

Identifying, communicating and reviewing the authority's vision

- 1.3.1 Harrow Council's vision during 2010/11 was "to be recognised as one of the best London Councils by 2012, in a borough that is cosmopolitan, confident and cohesive". The vision is reviewed annually and Council set a new vision and corporate priorities in March 2011 alongside the budget. Extensive consultation was undertaken through the Lets Talk programme, which is reflected in the new vision for 2011/12 'Working together: Our Harrow, our community'.

- 1.3.2 The priorities and flagship actions set out in the corporate plan were set in response to consultations with residents and filter down the organisation hierarchically at Directorate, Service and individual plan levels. The priorities are communicated to residents through "Harrow People" magazine and the harrow.gov internet site.
- 1.3.3 The Council's vision and corporate priorities are consistent with the Sustainable Community Strategy which has been developed by the Harrow Strategic Partnership (HSP) together with the local community, with local agencies, stakeholders and residents involved in identifying its priorities. Progress against priorities with residents were also measured through the Reputation Tracker in 2010 and the Involvement Tracker in 2011. The Strategy shows how the organisations making up the Harrow Strategic Partnership will try to shape the effects of global, national, regional and local trends and events to work towards successful outcomes for Harrow. These successful outcomes include making Harrow a better place to live and work over the long term.
- 1.3.4 Through this partnership, the HSP Members agreed a Local Area Agreement which ran until March 31st 2011 and reflects the work that partners needed to do over 3 years to improve the quality of life for local people.
- 1.3.5 The Better Deal for Residents: Shaping Harrow for the Future (BDfR) programme, agreed by Cabinet in July 2010, has been developed to significantly reduce costs each year for the foreseeable future, whilst radically considering the manner and scale of services offered, given the changing needs of residents. The BDfR programme will, in the first instance, include a fundamental review of how the council can deliver more integrated services to local taxpayers across all the public sector partners in the borough. It will focus on how the council can better align services with residents' needs, whilst being more cost effective. The programme will act as the first phase of the Council's Change Management Programme, which will be undertaken over the next two to three years.
- 1.3.6 Five improvement boards, which cover all areas of the Council, oversee all improvement initiatives across the Council, and the Corporate Strategy Board (CSB) has regular performance monitoring meetings scheduled throughout the year. CSB Membership consists of the Council's 5 Corporate Directors, the Assistant Chief Executive, the Director of Legal and Governance Services and is chaired by the Chief Executive or Assistant Chief Executive.
- 1.3.7 Progress towards the Council's corporate priorities is regularly monitored by the improvement boards, Corporate Strategy Board (CSB), the Executive (Members of the Cabinet, consisting of the Leader of the Council and nominated Portfolio Holder Councillors) and the LAA by the Harrow Strategic Partnership. Improvement boards also monitor risks to the achievement of Directorate objectives each quarter and these are reported to the quarterly CSB performance morning meetings.
- 1.3.8 The Executive meets monthly and the Corporate Strategy Board meet weekly to monitor performance and to consider the key risks to the achievement of those objectives. There are also six weekly 'leadership meetings' between CSB and Cabinet Members.
- 1.3.9 The corporate priorities which support the Council's vision are reviewed annually and the priorities for 2010/11 were to:
- Deliver cleaner and safer streets;
 - Improve support to vulnerable people;
 - Build stronger communities.

Measuring the quality of services and ensuring best use of resources

- 1.3.10 The Council has an integrated planning and budget framework to develop its Corporate Plan and Medium Term Financial Strategy each year, and monitor performance against plans and budgets. The Sustainable Community Strategy and the Local Area Agreement inform the Council's Corporate Planning process. The direction provided by the Corporate Plan and the Medium Term Financial Strategy is cascaded through directorate service improvement plans down to service development plans and then to personal development plans and Individual Performance Appraisal & Development (IPADS) for individual staff.
- 1.3.11 The process commences with the development of a Year Ahead Statement, setting out the evidence base to support the Council's priorities, and this sets the scene for the planning round. More detailed work follows, culminating in the approval of the corporate plan and budget in February each year.
- 1.3.12 Performance against plans, key indicators and targets and budgets are monitored during the year by Directorate Management Teams, quarterly Improvement Boards and CSB. There are quarterly monitoring reports to Cabinet on both the budget and performance using a balanced scorecard approach covering projects, budgets, risks, workforce performance, complaints, debt and VFM.
- 1.3.13 The Council has made considerable progress to improve its financial position and financial management in the last 3-4 years. This has involved much more robust medium term planning, an increase in the number of qualified finance staff, training for budget holders, and the replacement of the finance system with an Enterprise Resource Management System (ERP).
- 1.3.14 CSB meet monthly as a Transformation Board to monitor projects under the Better Deal for Residents Programme.
- 1.3.15 A Use of Resources Assessment was carried out annually up to and including 2008/09 by the Audit Commission which was wide ranging and covered financial management, performance management, internal control and value for money. The outcome of the assessment resulted in actions being built into service plans and the Council's Improvement Programme. This assessment was abandoned by the new government and as a consequence there was no assessment relating to 2009/10 and a new assessment/self-assessment regime has yet to be announced. However work is still undertaken by the External Auditors as part of the VFM conclusion in the accounts.

1.4 Defining roles

- 1.4.1 The Council's constitution describes the role and terms of reference of Members, the Executive, Portfolio Holders, Mayor, full Council, the Standards Committee and the Overview and Scrutiny Committee.
- 1.4.2 Officer responsibilities are also set out in the Constitution, including the Chief Executive Corporate Directors and the Director of Legal & Governance Services. This includes the various statutory responsibilities of these roles and role profiles of senior officers are in place and relevant officers have written delegated authority to undertake the statutory functions.
- 1.4.3 Democratic services maintain a register of Members' interests which is published on-line via the Council's web-site.
- 1.4.4 The Constitution is reviewed on an on-going basis, with full Council making amendments as and when required. During 2010/11 work began on a review of the Financial Regulations and Contract Procedure Rules.

1.5 Standards of behaviour and codes of conduct

- 1.5.1 Members and employees have clear codes of conduct, which set out expectations of behaviour and are regularly reviewed and re-issued. Two training sessions for Members, organised by the Council's Legal and Democratic Services team, on the code and ethical governance were provided during May 2010 and a third covering the code and social media took place in June 2011. The employee code forms part of the officer induction training.
- 1.5.2 A Standards Committee is in place to ensure that individual Members uphold and exemplify good governance and behaviour, and the role of the Committee and its structure was revised during early 2008/09 to reflect its new powers and responsibilities. The Localism Bill includes proposals to abolish Standards for England and means that the Council will be able to choose whether or not to have a member code of conduct and a Standards Committee. Officers are currently working with members in a working group to consider how the council will ensure the high standards of conduct in public life are maintained in the future which is a requirement under the Bill.
- 1.5.3 Separate mechanisms for Members and Officers are in place in the event that the codes are breached and appropriate action is taken as necessary.
- 1.5.4 Registers of gifts and hospitality are held at Member and Officer level and reviewed regularly. Departmental Management Teams review the Officer registers at regular intervals. The Members' register is available on-line via the Council's web-site.
- 1.5.5 In September 2008 the Council adopted new Council values which apply to all employees and replace the previous competency framework for middle managers and above. The values set out expected behavioural standards within 6 themes known as the CREATE values:
- Customer first;
 - Respect;
 - Engaged communication;
 - Actively 'One Council';
 - Taking responsibility;
 - Energise and improve.
- 1.5.6 A new suite of employment policies were prepared during 2007/08 and introduced from April 2008 which includes key HR policies for dealing with grievance, disciplinary and harassment issues. These have been communicated to managers under new capability and dignity at work procedures and are available on the Council's intranet site together with the full range of HR policies.

1.6 Decision making

- 1.6.1 Decision making arrangements are set out in the Constitution which governs the conduct of the Council's business and includes Contract Procedure Rules and Financial Regulations. The Council operates a Leader and Cabinet (Executive) model of decision making. Although some decisions are reserved for full Council, most are made by the Executive or by Committees, Sub-Committees or officers. The Constitution details those decisions that may not be taken by the Executive and those decisions that have been formally delegated to officers. The powers delegated to individual Portfolio Holders are also set out in the Constitution.
- 1.6.2 The Executive is responsible for the implementation of policy and ensuring the effectiveness of service delivery and forthcoming Executive decisions are published on the

Forward Plan which sets out all future key decisions that may be made within the following four month period.

- 1.6.3 Members are required to make sound decisions based on written reports which are prepared in accordance with report writing guidelines and all Cabinet reports have to be cleared by officers in Finance, Legal Services, Performance Management and Environment together with the relevant Portfolio Holder. Reports must pay due regard to equalities issues, crime and disorder implications, and risks.
- 1.6.4 The Executive receive a briefing (Cabinet Briefing) two weeks before the formal Cabinet meeting date when Members can ask detailed technical questions of officers. A Member Development programme is in place to support Members and provide them with information and the skills to make effective decisions.
- 1.6.5 In accordance with the Local Government Act 2000 the Council has mechanisms in place to allow the effective, independent and rigorous examination of the proposals and decisions by the Executive. These mechanisms involve the Overview and Scrutiny process and call-in. The Overview and Scrutiny Committee is responsible for overseeing a targeted work programme that can help support service improvement through an in-depth investigation of performance and the development of an effective strategy/policy framework for the council and its partners. This includes consideration of the Corporate Plan, Local Area Agreements and the Medium Term Financial Strategy. The Performance and Finance sub-committee is the scrutiny body responsible for monitoring the performance of the council and its partners in relation to their stated policy and priorities.
- 1.6.6 All formal meetings are clerked by well trained and experienced Democratic Services Officers who also provide advice on constitutional procedure. Lawyers are present when appropriate to provide advice on law and all committee reports must have legal clearance before they are published.

1.7 Internal Control and Risk Management

- 1.7.1 Internal control refers to the systems devised by management to guard against risk and promote achievement of objectives. More specifically, internal controls promote:
- achievement of business objectives and performance standards;
 - compliance with plans, policies, procedures, codes of conduct, laws and regulations;
 - the reliability, integrity, timeliness and usefulness of information;
 - the legality of transactions and compliance with approved budgets and procedures; and
 - the safeguarding of people, property, finances, services, continued operations and reputation.
- 1.7.2 Internal controls are an essential part of the Council's risk management arrangements and are required to be reviewed on a regular basis by management under the Council's Financial Regulations. Control systems provide for clarity of policies, objectives, targets, responsibilities and accountabilities, and appropriate authorisations and approvals, separation of duties, level of internal check, management information and physical safeguards.
- 1.7.3 The Director of Finance and the Assistant Chief Executive are responsible for assisting the authority in putting in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with all applicable statutes, regulations and codes of practice.

- 1.7.4 The Council has a duty to manage its risks effectively and this is achieved through a consistent corporate process in a hierarchical series of risk registers. A risk management strategy is reviewed and agreed by the Executive each year. The strategic risk register is reviewed by the Corporate Strategy Board on a quarterly basis. All Directorates have risk registers as part of Service Improvement Plans and these are reviewed by Directorate Management Teams regularly and the Improvement boards quarterly.
- 1.7.5 The Corporate Risk Steering Group, consisting of nominated directorate risk champions and chaired by the Assistant Chief Executive, met 4 times during 2010/11 and provides challenge on the robustness of the strategic and corporate operational risk registers and the adequacy of controls to mitigate the risk.
- 1.7.6 All risk registers identify risks to the achievement of objectives, the impact and likelihood of current and target risk scores, mitigating actions to control the risks and assign risk owners/champions and control owners.
- 1.7.7 Business as usual projects are managed through the corporate risk management process, with dedicated risk registers in place to ensure risks are being managed throughout the life of a change programme/project.
- 1.7.8 All committee reports requiring decisions are required to include commentary on the risks associated with the subject matter of the report so that Members can take informed decisions based on the balance of opportunities versus risks.

1.8 Audit arrangements

- 1.8.1 The Council considers that it has an effective Internal Audit service provided by an in-house team, which operates in accordance with the standards set out in the CIPFA Code of Practice for Internal Audit for Local Government.
- 1.8.2 The Council's External Auditors, Deloitte LLP, rely on the Internal Audit team's work on the authority's core financial systems to inform their risk assessment that guides the external audit approach.
- 1.8.3 The Governance, Audit and Risk Management Committee undertake the core functions of an audit committee as identified in CIPFA's Guidance *Audit Committees – Practical Guidance for Local Authorities*. Its terms of reference which encompasses the review and monitoring role of a range of risk related services, including monitoring performance on corporate governance generally, were reviewed and updated during 2010/11.
- 1.8.4 Training was undertaken for the members of the GARM Committee in September 2010 and lead members were nominated as specialists in distinct areas of the GARM Committee responsibilities. Following a change of Chair and membership between the April and June 2011 meetings further training was undertaken in June 2011 to ensure that all new members were aware of the role and responsibilities of the GARM Committee.

1.9 Compliance with statute and internal policies and procedures

- 1.9.1 The Council's legal service tracks new legislation and keeps the relevant Directorate(s) informed of the implications for future service delivery. Corporate issues are discussed at the Corporate Strategy Board and Corporate Leadership Group.
- 1.9.2 All internal policies and procedures are contained on the Council's intranet site and communicated to staff. Compliance is monitored through the annual management assurance exercise, Internal Audit reviews and specific monitoring at Directorate Management Team meetings and the quarterly improvement boards.

1.9.3 Key internal policies and procedures are reviewed and communicated regularly, such as the Council's Financial Regulations and Contract Procedure Rules both updated during 2009/10 with a further review currently underway.

1.9.4 Serious breaches of policies and procedures are subject to the Council's disciplinary procedures and where necessary investigated by the Council's Internal Audit service which works closely with the Council's Corporate Anti-Fraud team who maintain the Council's Corporate Anti-fraud Policy and Corruption Strategy.

1.10 Whistle blowing and complaints

1.10.1 The Council has a whistle blowing policy, publicised to staff and available on the intranet. The policy is primarily designed for staff to raise concerns but also explicitly encompasses contractors, councillors and agents outside the authority. A register of whistleblowing complaints is maintained by the Monitoring Officer and reported to the GARM Committee annually.

1.10.2 The Council has a three stage complaints procedure for members of the public to complain about individual service areas. This was refreshed in 2008/09 and details of the procedure and an online form are contained on the Harrow.gov website. Details of the Local Government Ombudsman Service are included and a printable information pack is available to download. The facility also enables members of the public to provide general comments and suggestions, or compliments.

1.10.3 The aim of the complaints procedure is:

- To provide an accessible means to all our customers who wish to express either satisfaction or dissatisfaction with a service they have received.
- To provide a fair, consistent and structured process for resolving complaints in a courteous and efficient manner.
- To enable customers to complain with the assistance of a representative or advocate if required.
- To record all complaints and compliments to help us analyse customer feedback and inform future service planning and delivery.
- To obtain records of complaints and compliments made so that regular reviews can be produced for internal performance monitoring and public accountability.

1.11 Training and development

1.11.1 The Council runs a Member induction programme for new Members and a development programme for all Members. The latter consists of a schedule of events throughout the year in a variety of formats, including events led by key officers from across the organisation and quarterly update sessions to keep Members up to speed on new developments/ideas.

1.11.2 A staff appraisal programme (IPAD) exists for all employees which is conducted on an annual basis with a mid year review. The process is formal with a corporate template and is designed to record achievements of staff, enable discussion about training and development needs, personal development and provide a clear understanding of how each individual's work contributes to the Team, Service, Directorate and Corporate priorities. The 2010/11 Management Assurance process highlighted that the appraisal process is working well in 92% of departments across the Council. Action was also identified in the action plan arising from the Staff Survey in November 2010 and although an increased compliance was noted in the 2011 Staff Survey the IPAD process is being reviewed with senior management to address the cultural challenges in ensuring effective performance management. This includes considering whether an on-line appraisal system is introduced (though this is subject to funding) or alternative approaches to IPAD.

- 1.11.3 The appraisals process is monitored at Divisional Management Team level, at Council Improvement Boards and as part of the annual management assurance exercise.
- 1.11.4 All Directorates have developed workforce strategies. Learning and development plans for staff are integral to these strategies, as are initiatives to provide career opportunities for existing staff within the Council and Directorates.
- 1.11.5 A manager's development programme (MDP) foundation stage has been delivered and an MDP practitioner stage is being developed during 2010/11.
- 1.11.6 Most service areas have a budget allocated for training and development of staff.

1.12 Communication and consultation

- 1.12.1 The Council launched a new corporate consultation strategy in 2008/09 to ensure that there is a joined-up co-ordinated approach to consultation with local people at Harrow Council and the HSP. Consultations are managed through a number of channels, including the Residents Panel and the Council magazine "Harrow People", which is delivered to every household in Harrow six times a year, and is used to communicate important messages to residents. Consultation on the Better Deal for Residents programme is co-ordinated through the Better Together Board.
- 1.12.2 Internally a variety of media are used to keep staff informed of developments and important information. These range from communications e-letters to poster campaigns, "The Arrow" internal newsletter, the 'Grapevine' an e-newsletter, the Chief Executive's newsletter and staff forums held jointly by the Chief Executive and Leader of the Council when all staff are able to attend and ask questions, as well as managers' conferences.
- 1.12.3 The Council's communications strategy, the Council's Involvement and Reputation Plan was reviewed in October 2010 and again in May 2011.
- 1.12.4 Protocols for 2 way communication between the Council and the Trade Unions are well established.
- 1.12.5 All Committee meetings are held in public except where items on the agenda are exempt from publication due to confidentiality.

1.13 Partnerships

- 1.13.1 The Local Strategic Partnership in Harrow is called the Harrow Strategic Partnership (HSP). The HSP brings together a group of people who represent the statutory, private, business, community and voluntary sectors in Harrow. The HSP constitution and protocols provide details on the governance of the partnership and the structure and function of the HSP.
- 1.13.2 Community views and partners data are used by the partnership to shape and influence the borough's priorities in the Sustainable Community Strategy and the Harrow Compact sets out the agreement on how statutory partners interact with the voluntary and community sector.
- 1.13.3 The Sustainable Community Strategy provides the partnership with a shared vision for the future of Harrow, and is delivered through the three year Local Area Agreement that ran until March 2011.
- 1.13.4 There will not be an LAA in the future as the Coalition Government has abolished the CAA and reduce the reward grant in-year. There is an ongoing debate throughout local government about the role of partnerships without the driver of LAAs. However, the council

adopted new priorities for the partnership in April 2011 and is working up targets and action plans supported by the last receipt of the Reward Grant.

1.13.5 The Council has engaged a number of commercial partners to support the delivery of services, from a business transformation partner to construction and infrastructure partners. The partnerships have been secured under framework agreements and are subject to strong governance and accountability processes.

1.13.6 Directorate Service Improvement Plans are required to list key partnerships and to consider partnership risks. Joint risk registers exist with key commercial and public partners.

1.14 Review of Effectiveness

1.14.1 The 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 work of the senior managers within the authority who have the responsibility for the development and maintenance of the governance environment, the Corporate Governance Group, the Corporate Governance Working Group, the Internal Audit annual report, and also by comments made by the External Auditors and other review agencies and inspectorates.

1.14.2 The process and activities that have been applied in maintaining and reviewing the effectiveness of the governance framework in the 2010/11 financial year are described below.

The Council

- Approved the policy framework and the annual revenue and capital budget;
- Contributed to the good governance of the Council and maintained the highest standards of conduct and ethics through the role of Councillors;
- Aimed to govern within a framework of fairness, openness, integrity and accountability and provided excellent standards of ethics and probity in decision making.

The Executive

- Made decisions in accordance with corporate priorities;
- Allocated responsibility for Member Portfolio Holders to specific areas of responsibility;
- Considered risks and opportunities as part of the decision making process;
- Monitored performance against the corporate priorities.

The Audit Committee (GARM Committee)

- Met 6 times during 2010/11 and has considered the work of Internal Audit during the year including mid year and end of year reports, will consider the results of the management assurance exercise, approved the Internal Audit Annual work plan, the Internal Audit delivery plan and the results of the updated Internal Audit self assessment against the CIPFA Code of Practice for 2010/11;
- Monitored the effective development of the Council's corporate governance framework;
- Will review and approve the Annual Statement of Accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council;
- Reviewed and challenged the reports provided by External Auditors on behalf of the Audit Commission including the annual audit and inspection letter;
- Will review and approved the Annual Governance Statement and the supporting evidence.

The Standards Committee

- Received reports from the Council's Monitoring Officer. It also considered and made decisions on allegations of breaches of the member's code of conduct.

The Overview and Scrutiny Committee

- Supported the Council and Executive in developing the policy framework and budget for the Council and worked with partner organisations on issues that may be outside the remit of the Council;
- Considered the Council and its partners' performance against stated policy and priorities;
- Reviewed specific services by making reports and/or recommendations to the full Council, Executive, Portfolio Holders and any joint or area committees on any of their functions;
- Reviewed policy and decisions developed by others by reviewing and/or scrutinising decisions made or actions taken in connection with the discharge of the Council's functions;
- Reviewed issues of concern to local people by considering matters affecting the area or its inhabitants and monitoring and scrutinising the activities of others;
- Considered the Forward Plan prior to key decisions as appropriate.

Internal Audit

- Provided assurance to the Council on operational and financial controls through the delivery of an agreed audit plan and follow-up reviews;
- Produced mid and end of year reports including the annual interim audit opinion on the Council's internal control framework;
- Supported the Corporate Governance Group and Corporate Governance Working Group;
- Provided assurance and advice to major project boards and partnership arrangements;
- Co-ordinated an annual management assurance exercise the results of which will inform risk registers, corporate governance update reports, action plans and also this annual governance statement;
- Contributed to the drafting of the annual governance statement;
- Implemented an escalation procedure to the Corporate Strategy Board and Audit Committee on audit reviews that gave rise to concern;
- Worked closely with the Corporate Anti-Fraud Team in relation to system controls and investigations to counter fraud;
- The Internal Audit plan for 2010/11 was approved by the Audit Committee in June 2010 and 91% of the plan was completed, including all the key financial system reviews relied upon by the External Auditors. A total of 232 recommendations were made during the audit year and 221 (95%) were agreed for implementation by the various managers;
- Undertook work on the authority's core financial systems for external audit reliance purposes;
- The interim overall audit opinion for the Council's control environment for 2010/11 was assessed as "adequate - good". The detailed report setting out the reasoning behind this assessment was considered and approved by the Governance, Audit and Risk Management Committee (GARM) in June 2011 and the final opinion will be produced once the work on the core financial systems has been completed and the results of the Management Assurance exercise for 2010/11 are available.

Corporate anti-fraud team

- Is responsible for reviewing and updating the Council's corporate anti-fraud policy and corruption strategy;
- Investigated allegations of fraud both from external and internal sources;
- Worked closely with Police partners to secure convictions where appropriate;
- Published successful prosecutions as part of a deterrent communication strategy.

1.15 Management Assurance Exercise

- 1.15.1 The management assurance process was developed and introduced across the Council in 2005/2006 (the 2004/2005 exercise). The areas of assurance are reviewed and updated annually by Internal Audit and the Corporate Governance Group using the corporate risk register to provide a clear link between the controls identified in the risk management process and the assurances being obtained.
- 1.15.2 The management assurance process involves obtaining self-assessments supported by documentary evidence from every third tier manager across the Council. These are then used to produce a statement for each directorate and an overall corporate statement that feeds into this Annual Governance Statement. The exercise is co-ordinated and 'reality checked' by Internal Audit.
- 1.15.3 The management assurance exercise is usually undertaken during March and April each year however this year's exercise was delayed until May to take account of the work on the assurance mapping exercise being undertaken to provide information on assurance provided across the Council.
- 1.15.4 In the spirit of reducing the burden of assurance on managers the self-assessment areas were reviewed by the Corporate Governance Group and a 51% reduction made in those that managers need to self-assess. Assurance on the areas taken out of the self-assessment process was obtained from other sources and included in the Corporate Management Assurance Statement.
- 1.15.5 Overall the 2010/11 management assurance exercise confirmed that 77% of the areas of assurance covered by the process are working well across the Council i.e. above the assurance level of 80% set for each area, and have been given a green assurance rating. This is a 4% increase on areas given a green assurance rating in 2009/10 but 3% below the 80% target set. Overall this reflects a continuing improvement in governance arrangements across the Council and is a significant achievement given the level of change/transformation that took place during the year.
- 1.15.6 Action points were agreed as part of the management assurance statements sign off by the 3rd tier managers for all areas of assurance identified as working towards or where a gap was identified. These will be monitored throughout 2011/12 by Internal Audit and the quarterly Improvement Boards.

1.16 Significant Governance Issues/Progress on Previous Agreed Actions

- 1.16.1 The annual review of the Council's governance arrangements and the annual management assurance exercise identified a number of governance issues for which detailed action plans have been developed. The year end update of the 2009/10 AGS Action Plan shows that the governance gaps identified in 2009/10 were closed fully or partially in 2010/11 for only 55% of gaps identified. Seven actions from 2009/10 have been carried forward to the 2010/11 AGS Action Plan attached to this statement one of which relates to IT Disaster Recovery which was recognised as a significant governance gap in the 2008/09 Annual Governance Statement and remained a gap throughout 2009/10 and 2010/11. There are already some arrangements in place to meet this requirement (including an annual DR test) and a comprehensive range of improvements have been developed to ensure resilience and recovery capabilities as part of the new Capita IT contract. One of the main projects to support this is the migration of the council's IT applications to the Capita West Malling site, which is due to commence in September on a phased programme which will be completed in April 2012. There is a continuing risk until this project is complete although the wider business continuity plan takes this into account and the risk is no greater than it has been historically over a number of years.

- 1.16.2 Six new gaps have been identified through the annual review of governance process, although none are considered significant by CGG, actions have been agreed to address these and are shown in 2010/11 AGS Action Plan.
- 1.16.3 The serious weakness identified in the 2009/10 statement in relation to the management and control of certain capital projects was followed by investigations into the overspend in the Children's Services capital programme. Cabinet received a report in December 2010 setting out issues and the outcomes of two investigations, one focussing on project management, one on financial management. The investigations made a series of specific detailed recommendations to avoid any recurrence of the issues which had affected the programme. Key staff within Finance, Children's Services and Community & Environment have been working together on implementing these recommendations and in addition on a fundamental review of process to ensure that the Council has robust and holistic arrangements in place for both the development and implementation of its capital programme. Cabinet requested that the GARM Committee monitor and report on implementation of the recommendations made in the investigation reports, supported by Internal Audit, who have been instructed to independently verify the process. Progress against the detailed implementation plan shows that 50% of actions are reported as implemented by management and Internal Audit is in the process of reviewing evidence to support this assertion; 43% of actions are not yet due/are in progress; 3.5% of actions are incomplete and the implementation date is imminent or has been extended and 3.5% of actions are incomplete and the implementation date has passed.
- 1.16.4 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our follow-up review in December with particular emphasis given to ensuring that actions carried forward from previous years are implemented.

1.17 Declaration

- 1.17.1 We have been advised on the implications of the review of the effectiveness of the governance framework by the Governance, Audit and Risk Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Signed

.....
Councillor Bill Stephenson
Leader of the Council

.....
Michael Lockwood
Chief Executive

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale
1.3 New	Effective procedures to identify, evaluate, communicate, implement, comply with and monitor legislative change exist and are used	Quarterly legislation tracker no longer produced by legal	Legal & Governance Services to explore a cost effective way of ensuring legislative changes are identified	Director of Legal & Governance Services	Nov 2011
1.7 c/f	Objectives are reflected in departmental plans and are clearly matched with associated budgets	No corporate requirement for services within Directorates to have Service Delivery Plans.	Assistant Chief Executive to produce paper for CSB consideration on how to close this gap. (as agreed by CCG 09/08/11)	Assistant Chief Executive	Nov 2011
3.4 c/f	There is a counter fraud and corruption policy in place which has been formally approved, regularly reviewed and widely communicated to all relevant staff.	Policy accessible on internet site but only via search facility on intranet (CAFT have no specific pages). No awareness sessions etc. are run.	Intranet to be enhanced to enable policy to be more accessible to staff. Corporate fraud awareness e-learning tool to be developed in-house.	Corporate Anti-fraud Service Manager (with help from Information Management) Corporate Anti-fraud Service Manager	Nov 2011 March 2012
3.7 New	Where a scheme of delegation has been drawn up, it has been formally approved and communicated to all relevant staff	Management Assurance Exercise identified directorate/service specific schemes of delegation covering HR / service specific responsibilities not consistently in place across the Council	Reminder on the requirement for a directorate/service specific scheme of delegation to be put in place to be sent to all Corporate Directors.	Assistant Chief Executive/Director of Finance	September 2011 Dec 2011

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale
3.34 c/f	<p>There are up-to-date data security policies and guidance in place covering:</p> <ul style="list-style-type: none"> • key business areas 	<p>There is no consistent approach for validating information from third parties as it is the responsibility of the contract 'owner'</p>	<p>Paper to CSB to be produced to address the GAP</p>	<p>Divisional Director - Partnership Development & Performance</p>	<p>November 2011</p>
3.37 New	<p>The council manages information risk effectively. Arrangements meet the requirements expected in government including having a capable Senior Information Risk Owner (SIRO). The council complies with the requirements set out in any relevant codes of connection for services it has in place, for example the Government Secure Intranet / Government Connect.</p>	<p>The Council has complied with the Government's Code of Connection and was formally certified on 1st Sept 09 and updated 29/07/11. However CAFT moved 01/08/11 to open plan office that does not, in the opinion of the CAFT Service Manager and the Information Management Service Manager comply with the relevant code of connection.</p>	<p>Plan to be developed to address how to meet requirements.</p>	<p>Corporate Anti-fraud Service Manager/ Service Manager - Property</p>	<p>November 2011</p>

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale
3.38 New	<p>The council incorporates good practice standards and specified public sector policies on data and information security into its own policies and procedures. For example, ISO27001 and relevant Codes of Connection for the NHS Network (N3) and Government Secure Intranet and Government Connect.</p>	<p>In order to improve on data security, the Council has commissioned a gap analysis exercise (Dec 09) to help identify gaps in data security practices to enable us to imbed an ISMS to ISO27001 standards.</p> <p>Capita and the Council are now working together to implement some of the gaps to imbed an ISMS to ISO standard.</p>	<p>Action identified and agreed in ISMS/ISO action plan therefore no action required here.</p>	N/A	N/A
10.5 New	<p>Develop protocols to ensure that the leader and chief executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained</p>	<p>No protocol currently in place</p>	<p>Protocol to be developed and agreed</p>	<p>Director of Legal & Governance Services</p>	<p>November 2011</p>

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale
13.11 c/f	Joint workforce planning.	Although there is an integrated Children's Workforce Strategy and joint induction arrangements for those working with children across local partners this does not exist to any significant extent in other Directorates	This has been identified in the Strategy for People 2010-2012 as an action for 2011 therefore no further action is needed here.	N/A	N/A
13.19 New	Ensure that career structures are in place for members and officers to encourage participation and development	There is no career-planning programme in place at the officer level	This is reflected in the Strategy for People 2010-12 action plan therefore no further action needed here.	N/A	N/A

<p>OGF7 c/f</p>	<p>Making sure that an effective risk management system is in operation</p>	<p>No Business Continuity/IT Disaster recovery plan</p>	<p>Not in place for 2010/11. Will be complete by April 2012.</p> <p>There are already some arrangements in place to meet this requirement (including an annual DR test) and a comprehensive range of improvements have been developed to ensure resilience and recovery capabilities as part of the new Capita IT contract.</p> <p>One of the main projects to support this is the migration of the council's IT applications to the Capita West Malling site, which is due to commence in September on a phased programme which will be completed in April 2012.</p> <p>There is a continuing risk until this project is complete although the wider business continuity plan takes this into account and the risk is no greater than it has been historically over a number of years.</p>	<p>Head of IT Client Team</p>	<p>April 2012</p>
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<p>OGF8 c/f</p>	<p>Making sure that an effective risk management system is in operation</p>	<p>Health & Safety Management Assurance Exercise identified that Health & Safety not working well across all areas of the Council.</p>	<p>A comprehensive review of H&S has been carried out and a new restructure and a two year improvement plan is commencing. Progress against plan report to be provided to Internal Audit (at the request of Chief Executive)</p>	<p>Divisional Director Risk, Audit & Fraud</p>	<p>Dec 2011</p>
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AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale
3.42 c/f	The council engages with its staff and gains their commitment to, and ownership of, the council's approach to reducing its impact on the environment	<p>Although a well publicised Energy Saving Campaign was run in 2008/09 it is recognised that a more pro-active engagement with staff is needed.</p> <p>Reduced staffing levels and a freeze on recruitment during 2010/11 have meant that it has not been possible to devise a programme. We anticipate recruiting and initiating a programme in the Autumn</p>	To devise a pro-active engagement programme on the council's approach to reducing its impact on the environment.	Head of Climate Change	Nov 2011

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HARROW COUNCIL

ANNUAL GOVERNANCE STATEMENT 2010/11 Assurance and Evidence

KEY

OWNERS

HP	Hugh Peart - Director of Legal & Governance Services (CGG)
JA	Julie Alderson – Interim Director of Finance (CGG)
TW	Tom Whiting – Assistant Chief Executive (CGG)
DW	David Ward – Divisional Director Risk, Audit & Fraud (CGG)
JT	Jon Turner - Divisional Director HRD & Shared Services (CGG)
AD	Alex Dewsnap – Divisional Director - Partnership Development & Performance (CGG)
JE	John Edwards - Divisional Director-Environmental Services
MBr	Mike Brown - Service Manager - Property
CGG	Corporate Governance Group

SPONSORS

JF	Jessica Farmer – Head of Legal Practice (CGWG)
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Objective 1: Establishing principal statutory obligations and organisational objectives

Step 1: – Mechanism established to identify principal statutory obligations

Examples of assurance:	FAN Suggested Evidence:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
1.1 Responsibilities for statutory obligations are formally established	Documents (e.g. constitution) recording individual officer and member responsibilities Minutes of delegations to officers and committees Committee terms of reference Job descriptions of key officers Structure charts	The Council's Constitution includes details of Director responsibility and committee terms of reference. The Constitution is available at http://www.harrow.gov.uk/site/scripts/documents_info.php?categoryID=10016&documentID=919 Minutes of current delegations can be found in the Council Minutes for 12 May 2011 which is available at http://modern.gov:8080/ieListDocuments.aspx?CId=288&MId=60273&Ver=4 Role profiles for the statutory obligations (Chief Executive, Corporate Directors of Children's, Adults & Housing, Corporate Finance and Director of Legal and Governance Services) are available in Part 3B of the constitution: http://www.harrow.gov.uk/downloads/file/7993/part_3a1-terms_of_reference_schedule	HP/JF	JF – 10 June	
1.2 Record held of statutory obligations	Accessible record of statutory obligations (e.g. central registry or legal library, intranet)	It is very difficult to hold a complete list of all statutory obligations. However, these statutory obligations are available from a variety of sources. Reference material is available from Legal Services and the internet eg HMSO, Lawtel, Lexis Nexis. Constitution outlines all officers with statutory obligations.	HP/JF	JF – 10 June	
1.3 Effective procedures to identify, evaluate, communicate, implement, comply	Review of established processes in place Appointment of suitably qualified and	Members are provided with updates on relevant legislation either by way of the information circular or at the Members Quarterly briefings. Legal Services produce information bulletins for Members and colleagues.	HP/JF	JF – 10 June	

	Examples of assurance:	FAN Suggested Evidence:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	with and monitor legislative change exist and are used	<p>experienced employees, selected against accurate and specific job descriptions and person specifications</p> <p>Evidence of effective arrangements for internal and external communication (e.g. by review of communication of recent legislation to relevant officers and members)</p> <p>Appropriate induction training has been given to specific post holders</p> <p>Awareness training tailored to job profiles has been provided</p> <p>Inspection of reports to members on implications of new legislation</p> <p>Evidence that assurance has been given to Chief Executive (or equivalent) that all relevant legislative changes have been reported and addressed</p>	<p>Role of monitoring officer including clearance for reports etc.</p> <p>Legal officers report legislative changes to CSB, Standards Committee, and GARM as well as provide training and updates to relevant officers.</p> <p>Quarterly legislation tracker no longer produced by legal.</p>			<p>GAP</p> <p>Discussion at CCG 09/08/11 – HP to form a view by 12/08/11</p> <p>HP confirmed GAP - L&GS to explore a cost effective way of ensuring legislative changes are identified</p>
1.4	Effective action is taken where areas of non-compliance are found in either mechanism or legislation and reported to the Governance, Audit	<p>Review of evidence to demonstrate that action has been taken to overcome identified areas of non-compliance, for example: Internal /external audit reports to audit committee or equivalent;</p> <p>Monitoring reports on progress on</p>	<p>All Internal Audit reports are issued to Governance, Audit & Risk Management (GARM) committee.</p> <p>Evidence: Example report to GARM covering Green/Amber IA reports.</p> <p>Action would be related to each individual case as</p>	TW/SD	10/6/11 CC	
				HP/JF	JF-10	

Examples of assurance:	FAN Suggested Evidence:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
and Risk Management (GARM) Committee accordingly.	delivering action plans in response to identified legal/statutory risks in risk register (e.g. on implementation of Freedom of Information Act 2000) Evidence of corrective action being taken in response to upheld complaints against the authority	determined and approved by GARM Service improvements template implemented in September 2009 associated with complaints where we have identified errors/service failures on the part of the Council (example provided) Service improvements/lessons arising from complaints are reported in complaint report to Improvement Boards	TW/LM	June LM 14/06/11	

Objective 1: Establishing principal statutory obligations and organisational objectives

Step 2: – Mechanism in place to establish organisational objectives

Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
1.5 The organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated	Results from internal and/or external consultation exercises have been analysed and published Authority's approved and published strategic plan takes account of all consultation and local and national priorities. Priorities and objectives in strategic partnerships are aligned with corporate priorities and objectives Vision, strategy, corporate plans, budgets, performance plan/regime	The Council's corporate priorities bring together the priorities from the Sustainable Community Strategy, value for money data, performance data, financial information and public attitude survey data + external policy developments. The draft priorities are agreed by the Majority Group before being approved for consultation at Cabinet. These are then the subject of consultation with the public, in November and December 2010 through the Council's "Let's talk" campaign: http://www.harrow.gov.uk/info/200116/media_publicity_and_web/2130/lets_talk-a_new_conversation_for_harrow/3	TW/LD	LD 6/7/11	
		The priorities are shared with members of the Local Strategic Partnership for comment. The Council revises			

				<p>the draft priorities in the light of consultation feedback as appropriate. Evidence –and Corporate Plan 2011/12</p> <p>http://www.harrow.gov.uk/info/725/council_performance/841/harrow_corporate_plan_20102011</p> <p>The Local Strategic Partnership's priorities are also shaped by the Sustainable Community Strategy which provides for a strong correlation between the Council's and the partnership's service priorities. Evidence – Sustainable Community Strategy 2009-2020.</p> <p>A Published Communications Plan: 2010/11 has been agreed at Cabinet March 2010. This is provided as evidence.</p>	TW/LM		
1.6	<p>Priorities and objectives are aligned to principal statutory obligations and relate to available funding</p>	<p>Corporate priorities and objectives are clearly set out in the strategic plan</p> <p>Strategic plan takes account of annual budget and medium term financial plan</p> <p>Financial plans take account of strategic partnership contributions and income streams</p>	<p>The Council's priorities are set out in the Corporate Plan (see 1.5) which is produced as part of the service planning, performance and budgeting process which is itself governed by a framework showing how the elements interact and are mutually inter-dependent.</p> <p>The framework is available at http://harrowhub.harrow.gov.uk/downloads/download/6/performance_framework_timetable_and_administration and is provided as evidence</p> <p>All financial planning includes strategic partnerships and income streams as contained in the MTFS. See also Corporate Plan & Budget 2011/12 – 2015/16 as agreed by Cabinet on 10/02/11 which identifies all income streams.</p> <p>Revenue & Capital Outturn report of 22/06/11 identifies PCT income as an example of partnership contributions. Evidenced.</p>	TW(MH)/LD	LD 6/7/11		
1.7	<p>Objectives are reflected in departmental plans and are clearly matched with associated budgets</p>	<p>Clear terms of reference are set for the preparation of departmental and/or service plans</p> <p>Departmental and/or service plans clearly reflect corporate objectives</p>	<p>Planning guidance for Directorate Service Improvement Plans (SIPs) for Directorates, and Delivery Plans for services was issued in July 2010. The Planning guidance document, required Directorate template and the recommended template for a Service Delivery Plan are provided as evidence. (Short guidance 2011-12 Final.doc;</p>	AD/LD	LD 6/7/11		

		<p>and match approved funding</p> <p>Annual reports are produced on the outcome of departmental and/or service plans</p>	<p>CDSIPB full template 2011-12 Final.pdf; Service Delivery Plan template 2011-12 with embedded guidance notes v9.doc)</p> <p>Corporate Directorate Service Improvement Plans reference corporate priorities, and are related to approved funding.</p> <p>An example Corporate Service Improvement Plan 2011/12 is provided as evidence – Chief Executive's</p> <p>Each Corporate Directorate SIP contains the prior year PI outturn, and a section reporting progress with prior year projects.</p> <p>Where Delivery Plans are developed these too contain prior year PI outturn and a section reporting progress with prior year projects.</p> <p>A Delivery Planning Internal Audit review was scheduled for 2010/11 but did not take place as limited IA resources were directed, by agreement with management, to higher risks. If resources allow, such review could clarify whether there is alignment between SIPs and delivery plans</p>	<p>TW/LD</p>	<p>LD 6/7/11</p>	<p>GAP 10/11 (c/f 09/10)</p> <p>CCG 09/08/11 – agreed gap – action to be amended to TW to prepare a paper for CSB</p>
<p>1.8</p>	<p>The authority's objectives are clearly communicated to staff and to all stakeholders, including partners and on an annual basis, the authority publishes a</p>	<p>A communication strategy in respect of the corporate objectives has been developed, approved and implemented</p> <p>Evidence of consultation with stakeholders (e.g. public and internal surveys etc) and strategic partners on service provision against</p>	<p>A Published Communications Plan: 2010/11 has been agreed at Cabinet March 2010. This is provided as evidence.</p> <p>Departments make their own plans for communicating to their managers and staff at local management meetings and forums + regular managers conference + staff forums.</p> <p>The Arrow + Chief Executive's newsletter + Grapevine</p>			

	<p>performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p>	<p>cost.</p> <p>Documented meetings across departments to discuss key objectives in corporate and departmental and/or service plans</p> <p>Corporate objectives and aims are set out in key documents (annual plans, Local Area Agreements etc) on the authority's website and intranet site</p> <p>annual report</p> <p>annual financial statements</p> <p>annual business plan</p> <p>formal annual report</p>	<p>(Staff newsletter) and posters covering priorities around the buildings.</p> <p>The Sustainable Community Strategy is available at http://www.harrow.gov.uk/info/200009/performance/998/sustainable_community_strategy_2020</p> <p>The Corporate Plan is provided as evidence.</p> <p>The LAA is available at http://www.harrow.gov.uk/info/200009/performance/1019/local_area_agreement on the Website</p> <p>The new LAA 2008 – 11 was adopted by the Council on 17 July 2008 and provided partnership priorities. The Coalition Government abandoned LAAs in June 2010 but the partnership continues to pursue and monitor the priorities although there no longer Reward Grant associated with success.</p> <p>The Cabinet Performance report (quarterly) also reports on annual performance as part of the committee cycle.</p> <p>Evidence of consultation is available at the Consultation Finder. http://www.harrow.gov.uk/site/scripts/documents.php?categoryID=200024</p> <p>Evidence also cited is the Involvement Tracker in the evidence file</p>			
1.9	<p>The council has strategic plans that show how it will develop its assets to meet strategic priorities and operational and service needs.</p>	<p>Audit Commission Suggested Evidence for UoR 3.2:</p> <p>Organisation strategies and plans</p> <ul style="list-style-type: none"> • Asset management strategy/plan. • Office accommodation strategy. • Medium-term financial plan. 	<p>Following strategic Plans in place:</p> <p>Asset Management Plan 2010-2013 (Evidenced 2009/10)</p> <p>Space Planning Policy Nov 2007 (Evidenced 2009/10)</p> <p>Draft property Strategy 2010-2015 Feb 2010 (Evidenced 2009/10)</p> <p>Development of a Consolidated Integrated Civic One Building April 2011 - not on intranet/not provided as evidence (requested 03/08/11).</p>	MBr/SD	MBr 27/07/11	

1.10	<p>The council's financial and other plans support the delivery of the strategic plans for assets, either through investment, disposals, transfers, and rationalisation, or by more efficient asset use. Financial plans show how any financial gaps, between the need to invest in assets and the budget available, will be filled over the long term, for example through prudential borrowing, rationalisation of assets or capital receipts</p>	<ul style="list-style-type: none"> • Asset register. • Corporate plan. • Capital strategy. • Other strategies and plans with assets links (for example, flexible working, ICT). <p>Local needs and priorities that influence asset management</p> <ul style="list-style-type: none"> • Sustainable community strategy. • Local Area Agreement. • Climate change strategy. • Local development framework. • Access to services. • Service business plans (for example, libraries and leisure). 	<p>Development of a Flexible and Mobile Working Environment April 2011 http://harrowhub.harrow.gov.uk/info/200222/better_deal_for_residents/463/mobile_and_flexible_working</p> <p>All entered on SAP</p> <p>Cabinet capital Plan December 2010. Evidence: cabinet report + minutes</p> <p>ICT outsourcing project completed October 2010</p> <p>Harrow's Sustainable Community Strategy. Evidenced</p> <p>LAA agreed in mid 2009</p> <p>Harrow Climate Change Strategy 19 May 2011 Evidenced</p> <p>Financial gaps shown in AMP pg 17</p>	MBr/SD	MBr 27/07/11	
1.11	<p>Policies, decision-making structures and roles underpin the management of assets as a corporate resource. Responsibilities for assets are clearly designated to functions and roles within the council. For example, there might be a designated corporate property</p>		<p>Responsibilities and structures included in the 2010 -2013 AMP Section 2.</p> <p>CSB is the corporate group providing direction on asset related strategies.</p> <p>Regular meetings are held with Portfolio Holders – summary of meeting maintained</p> <p>Place Shaping and Property Board in place – Chaired by Corporate Director Place Shaping – reporting to Cabinet (Agenda, Board Actions & Project updates Evidenced 2009/10)</p>	MBr/SD	MBr 27/07/11	

	<p>officer with responsibility for strategic asset management activities, and a corporate group providing direction on asset related strategies across the organisation. Members actively engage in policy development for the asset base.</p>					
1.12	<p>The council has an organisation-wide approach to managing assets as a corporate resource, rather than a compartmentalised, departmental driven approach. The council focuses on using the asset base to help deliver sustainable social, environmental and economic outcomes for local communities</p>		<p>"Property Board" meets monthly and agenda and minutes are available. All Divisions are represented. See 2010-2013 AMP + example agenda as above + evidenced in Council strategies. Covered in AMP.</p>	MBr/SD	MBr 27/07/11	
1.13	<p>Asset management planning fully integrates with the council's corporate and service planning, with a clear alignment between asset plans and other corporate and service plans. Asset plans consider the implications for</p>		<p>Information on co-ordination included in AMP. Members and officers of relevant sections consulted and provide information for AMP to align with service plans.</p>	MBr/SD	MBr 27/07/11	

	the asset base of medium longer-term service planning, and this is coordinated across service boundaries.				
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Objective 1: Establishing principal statutory obligations and organisational objectives

Step 3: – Effective corporate governance arrangements are embedded within the authority

Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
1.15 Code of corporate governance established	A Code of Corporate Governance in line with the CIPFA/SOLACE guidance relevant to the type of authority has been adopted by the authority. A communication strategy in relation to the Code has been developed, approved and implemented	Code of Governance in line with CIPFA/SOLACE guidance. Originally adopted by GARM 01/09/08. Report and minutes of meeting included in 08/09 evidence folder. Code reviewed and updated by CGWG/CGG July 2009 changes agreed by GARM September 2009. Agreed by Cabinet to form part of the Constitution and included in current version. Part K http://www.harrow.gov.uk/site/scripts/documents_info.php?categoryID=10016&documentID=919	CGG/SD	SD 08/08/11	
1.16 Review and monitoring arrangements in place	The Code itself incorporates a review date and/or a system for continuous update in response to changed requirements There are clear arrangements for continuously monitoring compliance with the Code e.g. reports on compliance are regularly submitted to the committee charged with	Code available on intranet to be communicated to staff – email alert sent August 2010 + presentation to CLG August 2010 Code incorporates a review date – July/August each year. CGWG undertook the review and reported to CGG July 2009 and GARM September 2010. Annual review by CGG 09/08/11. GARM received regular update reports on Corporate Governance during 2010/11.	CGG/SD		

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
		<p>corporate governance responsibility</p> <p>An annual report on compliance with the Code of Corporate Governance is prepared and submitted to members</p> <p>Internal/external audit reports on adequacy of corporate governance arrangements</p> <p>An action plan is prepared to address any significant identified weaknesses in complying with the Code and is continuously monitored by the authority or committee charged with corporate governance responsibility</p>	<p>Part of AGS report submitted to GARM annually.</p> <p>Although no specific internal/external reports on adequacy of corporate governance arrangements produced during 2010/11 a number of internal audit reports covered governance arrangements of systems reviewed.</p> <p>An AGS Action plan was drawn up after the 09/10 review and monitored and year –end position to be reported to GARM June 2010. Evidence</p>	<p>DW/SD</p> <p>CGG/SD</p>	<p>CC 13/6/11</p> <p>CC 13/6/11</p>	
1.17	Committee charged with governance responsibilities	<p>Responsibility for overseeing corporate governance has been formally delegated to an appropriate committee</p> <p>Committee terms of reference clearly demonstrating responsibility for corporate governance issues have been approved by the authority</p> <p>Terms of reference are sufficiently comprehensive to ensure that all appropriate aspects of corporate governance are covered</p> <p>Agendas and minutes from the committee charged with corporate governance responsibility indicate that the responsibility is being discharged adequately in</p>	<p>Responsibility formally delegated to GARM committee.</p> <p>GARM Terms of Reference originally approved 03/09/07 – updated and approved by GARM 08/04/10 .</p> <p>Terms of Reference are sufficiently comprehensive.</p> <p>See agenda/minutes for GARM</p>	GARM /SD	10/6/11 CC	

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
1.18	Governance training identified, provided to key officers and all members. Governance training attendance of a good level.	accordance with terms of reference Induction training for key new officers and all new members incorporate suitable coverage on corporate governance issues according to responsibilities Ongoing awareness training is provided as appropriate to key staff and all members to ensure that changes in the Code are made known within the authority	GARM committee members trained May 2008 + September 2010 + June 2011. Induction training on ethical governance and standards provided for new elected Members on 17 May 2010. http://modern.gov:8080/documents/s69751/Member%20Development%20Report%202010%20Final.pdf Managers induction training (additional 2 days) includes reference to the corporate governance framework and can be accessed on the intranet at: http://harrowhub.harrow.gov.uk/info/200210/courses_qualifications_and_events/356/managers_induction_agenda A Members Development Programme includes mandatory training on their statutory role. Access is available to all members to e-learning Details can be accessed on the intranet at: http://harrowhub/info/200211/e-learning/340/e-learning_service_for_councillors Also accessible is a report to the Member Development Panel on 7 April 2009 giving a presentation on the Member Development Charter and an update on the programme of training.: http://modern.gov:8080/Published/C000002.86/M00004530/\$ADocPackPublic.pdf	JT/LC	SD 08/08/11 LC 27/6/11	None
1.19	Staff, public, Members and other stakeholder awareness of corporate	There is a general staff awareness training programme The Code has been published and is accessible to all staff, the public and	Member awareness of corporate governance is covered at 1.18 All Harrow middle and senior managers have had training on Corporate governance issues through a 'Harrow Rules'	JT/LC	LC 27.6.11	

Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
governance	other stakeholders	<p>programme. This was subsumed into a new Management Development Foundation Programme (MDPF) that started in September 2008. The main programme concluded in late 2009 but further courses were delivered into 2010.</p> <p>Corporate Governance was included in the staff and manager induction programmes. The manager induction programme has been shortened from 2 to 0.5 days in 2011/12 but still includes the legal framework, including corporate governance.</p> <p>Manager: http://harrowhub.harrow.gov.uk/info/200210/courses/qualifications-and-events/356/managers-induction-agenda</p> <p>The agenda for the refreshed staff induction programme is no longer on the intranet – this will be remedied (LC)</p> <p>The Constitution is available on the council's intranet and website at: http://www.harrow.gov.uk/site/scripts/documents_info.php?categoryID=10016&documentID=919</p>			

Objective 1: Establishing principal statutory obligations and organisational objectives

Step 4: – Performance management arrangements are in place

Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
1.20 Comprehensive and effective performance management systems operate routinely to monitor service delivery.	There is a clearly defined performance management framework that identifies: (i) all sources of performance measures; (ii) who is responsible for achieving	<p>Harrow has a defined performance management framework. This was revised as July 2010 and is provided as evidence (Final PMF 21 July 2010.doc)</p> <p>The framework aims to comprehensively address budget, service delivery performance measures, project delivery measures, workforce and 'compliance' type</p>	TW/LD	LD 6/7/11	

Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>each performance measure;</p> <ul style="list-style-type: none"> (iii) who is responsible for collating the data for each one; (iv) who determines and approves the performance measures; (v) who receives reports on performance and how often; (vi) how data quality is assured; (vii) how performance data is captured and its integrity maintained; (viii) how poor performance is addressed; (ix) how performance is driven upwards over time <p>Reports resulting from internal or external reviews of performance management</p> <p>Year-on-year comparison of achievement against performance targets (e.g. in annual reports)</p> <p>Best value reviews, including benchmarking results</p> <p>Departmental and/or service benchmarking results</p> <p>Annual reports issued by, or in relation to, strategic partnerships</p>	<p>outcomes.</p> <p>Improvement Board Reports are provided by each Corporate Directorate quarterly to an agreed template, and these are reviewed by the Improvement Boards. Action notes are produced from each meeting. The Improvement Board template is regularly refreshed. – see example in the evidence file (Improvement Board Guidance v25 May 2011.doc)</p> <p>Each Corporate Directorate SIP contains the prior year PI outturn, and a section reporting progress with prior year projects. See 1.7</p> <p>A programme of service reviews has been developed, overseen by an Efficiency & Improvement Board.</p> <p>A range of vfm benchmarking tools are analysed (inc CIPFA, LAPS, DoH, Housemark, Building Control),, and forwarded to each Corporate Directorate. Work is being done with each directorate on cost and performance benchmarking as part of the planning and improvement cycle.</p> <p>For information relating to Value for Money, see evidence provided under 9.6.</p> <p>A number of services are members of CIPFA and other benchmarking clubs. The Council receives benchmarking data from the London Council's LAPS benchmarking system.</p> <p>Harrow Strategic Partnership did not produce an annual report in 2010-11 in view of the abolition of the LAA and other changes that were taking place</p> <p>Performance data against LAA targets is published quarterly. Evidence – Quarterly LAA Performance Report. Harrow Chief Executives now devote every</p>			

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
1.21	Key performance indicators are established and monitored	<p>Appropriate key performance indicators (KPIs) have been established and approved for each service element and are included in departmental and service business/annual plans</p> <p>KPIs have been developed and are monitored in respect of key partnerships</p> <p>A robust monitoring system has been approved and implemented</p> <p>There are regular reports on progress on delivering approved KPIs</p> <p>There is an approved mechanism for reviewing the continuing suitability of KPIs and for securing continuous improvement</p>	<p>other meeting to performance issues.</p> <p>Service delivery is monitored via service plans and reported to DMTs and improvement boards. Improvement Board outcomes feed into CSB Performance morning which considers exception reporting, and this in turn feeds into the Strategic Performance Report.</p> <p>KPIs are included in Corporate Directorate Service Improvement Plans. All national and regulatory KPIs are monitored appropriately. Improvement boards and Workforce strategy groups receive reports on KPIs including workforce and other local PIs</p> <p>Key partnerships – HSP – see 1.20</p> <p>Service delivery KPIs agreed for commercial partnerships (eg Kier) (see scorecard evidence)</p> <p>Service KPIs are monitored monthly at the Operational Group meetings and the Contract Management meetings and quarterly by the Strategic Partnership Board. (see minutes evidence)</p> <p>The structure of the partnership is changing to reflect the post LAA world see report to Partnership Board July 2011.</p> <p>Corporate Directorate KPIs are monitored at quarterly Improvement Boards. See 1.20</p> <p>Mechanisms for reviewing KPIs at service delivery level are left to local Directorates to determine.</p> <p>A review of KPIs and the Strategic Performance Report (SPR) was carried out in 2010/11; the Corporate Balanced Scorecard was refreshed for 2010/11 and subsequently for 2011/12.</p>	TW/LD	LD 6/7/11	
1.22	The authority knows	Regular reports are presented to	Portfolio holders receive quarterly Improvement Board	TW/LD	LD	

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
1.23	Knowledge of absolute and relative performances achieved is used to support decisions that drive improvements in	<p>EFQM model adopted</p> <p>External audit/agency reports on performance (e.g. compliance with National Crime Recording Standard, HMIC reports, Police Standards Unit reports)</p>	<p>An Internal Audit review of National Indicators was conducted in 2010 and is available from Internal Audit</p> <p>The Council maintains a Corporate Risk Register which is reviewed at the CSB performance morning, and Risk Registers are also reviewed at quarterly Improvement Boards.</p> <p>National Indicators (NIs) where still in use are published as part of the Corporate Plan, monitored in scorecards, and in reports to Improvement Boards and CSB (where relevant). The Improvement Board report 1.20 refers</p> <p>For internal performance indicators the same applies</p> <p>PWC benchmarking club, and in 2010/11 LAPS, provide comparative data on KPIs.</p> <p>Scorecards are used, both at a corporate level and a service level. Improvement Board reporting takes a balanced approach against the corporate and service scorecards.</p> <p>For 2010/11 scorecards at Corporate Directorate level have been refreshed.</p> <p>External audit reports by CQC, Ofsted, available from their websites</p> <p>For Local Area Agreement see 1.20.</p> <p>Improvement Board Reports are provided by each Directorate quarterly, see 1.20.</p> <p>Absolute performance information is provided in reports to Improvement Boards, The reports show performance relative to peer authorities when available (usually on an annual basis)</p>	TW/LD Corp Directors	LD 6/7/11	

Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
outcomes	<p>clear indication of below target, on target and at, or above, target results, highlighting areas where corrective action is necessary</p> <p>Committee reports on below par performance include 'SMART' action plans to improve performance</p> <p>Performance targets in subsequent corporate and departmental and/or service business plans are revised in the light of actual performance</p> <p>Continuous improvement is strived for by increasing the difficulty of performance targets when they have been met over a period (e.g. movements on KPI results)</p> <p>Performance trends are established and reported upon over the medium term and are fed into the corporate and departmental and/or service planning process and into the planning process of key partnerships</p> <p>Performance targets are adjusted in the light of the performances of peer authorities</p>	<p>Information on relative performance is analysed, through published benchmarking information and through benchmarking clubs e.g. London Information Exchange Group, Housemark, PWC, LAPS.</p> <p>We strive for continuous improvement through target setting and regular comparison with statistical neighbours, and monitor trends.</p> <p>Cabinet and Portfolio Holder reports include a performance section and sign off is required from a member of the Partnership Development and Performance team.</p>	TW/LD	LD 6/7/11	
1.24	The authority continuously improves its performance management	<p>The performance management framework defined in 2007 and described at 1.6 and 1.20 has been reviewed regularly. The latest version is available in the evidence file.</p> <p>The council's migration to SAP MIS from 2006 onwards, as part of the Business Transformation Programme has resulted in changes to the software base for performance related information.</p>	TW/LD	LD 6/7/11	

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
		<p>The performance management arrangements are revised in line with external or internal review of the arrangements</p> <p>Performance management arrangements are reviewed to assimilate new techniques and/or technology e.g. development in performance management information systems</p> <p>Performance management arrangements are developed and monitored in relation to key partnerships</p>	<p>The Performance Management System for Harrow Strategic Partnership has been reviewed and strengthened in relation to the Local Area Agreement and other Partnership priorities. Evidence –Performance reports</p>			
1.38	<p>The council has reliable information (this links with KLOE 2.2) which it uses to monitor its performance and manage progress in achieving its strategy(natural resources/impact on environment –see 3.40). It is communicating performance against its strategy to the public, stakeholders and staff and engaging with them effectively</p>		<p>The council signed the Nottingham Declaration in July 2007. Development of the subsequent Climate Change Strategy was subject to public consultation. As part of this consultation process a presentation was made to the Greener Harrow group.</p> <p>Information on the above indicators is publicly available on the council's website. Information is also shared regularly with Greener Harrow (minutes on website) and the Sustainable Development and Environment group of the Harrow Strategic Partnership.</p> <p>The council has led on the formation of a climate change group within the West London Alliance to consider common problems and a common approach to the new policy area. At the initial meeting on 7 May 2010, presentations were received from The Audit Commission, L B Sutton (a Green Flag borough) and from Harrow (on the CRC and FIT).</p> <p>90% of data from electricity/gas readings is very reliable. The Council is installing automatic meter reading devises</p>	JE(AB)/SD	AB/CC 13/6/11	

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
1.39	<p>It is making progress in delivering against its strategy, plans and targets. It is reducing its environmental impacts and consumption of natural resources from its operations in line with the targets it has set itself. This progress is spread across the organisation. It has identified the significant environmental risks that could impact on the delivery of its operations, for example how it is taking steps to adapt to climate change</p>		<p>and annual pictures of meter reading are currently taken.</p> <p>The council's Climate Change Strategy was established in September 2009 after public consultation. A revision was issued in October 2010 for further consultation and this was adopted by the council in May 2011. Evidenced.</p>	JE(AB)/SD	AB/CC 13/6/11	
			<p>The annual 4% reduction in carbon emissions is measured by NI 185 and is effective from April 2010. We submitted base figures for 2008/9 in June 2009. Figures for 2009/10 will be submitted alongside figures for 2010/11 in accordance with the revised timetable from DECC. The methodology has been revised slightly so comparability with 2009/10 will be limited.</p> <p>We are also collating information to report our base year consumption under the CRC scheme. These need to be reported by the end of July 2011.</p> <p>We keep centralised records of energy consumption across the whole council but need to use DECC conversion factors for each year to calculate the carbon footprint. An annual reduction of 4% is consistent with the targets set in the Mayor for London's Climate Change Strategy. Over the last year we have completed a number of energy saving projects and this continues this year. We are also developing a Carbon Management Plan as part of our Asset Plan, which will be looking at reducing our estate and improving the energy efficiency of the remaining stock.</p> <p>Cabinet received a report in Dec 2010 on the Carbon Reduction Commitment – Energy Efficiency Scheme (CRC scheme). Achieving the carbon reduction targets is an essential element in our response to the CRC. The target has been allocated to Corporate Director (Environment and Community Safety) as part of his</p>			

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
			<p>personal performance targets, which are monitored by the Chief Executive.</p> <p>The annual 2.5% reduction in potable water consumption is also effective from April 2010. It recognises that potable water has a large carbon footprint and that there are a number of measures that can be taken to reduce its use. In October 2009, we centralised our record keeping for water consumption. This is a local indicator.</p> <p>During 2010/11 the council obtained £273k funding from SALIX to implement energy saving measures in schools and corporate buildings. £63k was also spent on reducing energy consumption in the CCTV room</p>			
1.40	<p>Sustainability impact appraisals are undertaken for all major projects and programmes. Where assessments show potential negative impacts, the council can demonstrate how it has responded, for example by changing its policy, mitigating risks or having a plan to manage the effects</p>		<p>Covered by: all reports to Cabinet require an environmental impact statement to be produced. These are reviewed by the Division Director Environmental Services or the Head of Climate Change and are signed off if they support the Environment Impact Statement. Where they don't suggestions are added.</p> <p>Guidance for report writers has been amended to refer them to the Nottingham Declaration website</p>	JE(AB)/SD	AB/CC 13/6/11	
1.41	<p>The council considers the environmental impact of its suppliers of goods and services within its commissioning and procurement</p>		<p>Harrow Council encourages sustainability within all procurement procedures to ensure that the goods and services the Council provides achieve best value without having a negative impact on the future generations. The Council's Corporate Procurement Strategy (Evidenced 2009/10) ties in directly with the Government's national action plan "Procuring the Future".</p>	JE(AB)/SD	AB/CC 13/6/11	

	Examples of assurance:	FAN Suggested Evidenced:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>decisions and is working with them to achieve improvements</p>		<p>The key principles considered are reduce, reuse, recycle and rethink – including thinking about whole life costs noting in particular the cost of disposal. Suppliers are influenced to reduce their environmental impact and to provide goods that have been traded fairly and safely. This may involve working with suppliers to reduce the environmental impact of their services and products, together with others in their supply chain. This can be mutually beneficial to both parties. Additionally, the Council uses whole life cost benefit analysis as part of the award criteria for contracts.</p> <p>The council has appointed expertise in sustainable procurement to help it develop a sustainable procurement policy.</p>			
1.42	<p>The council is using its partnerships to help it to reduce its own impacts on the environment and preparing for climate change, for example using shared buildings</p>		<p>The Better Together programme is looking at how the public sector in Harrow can work more closely together to reduce the total number of buildings being used, and increase the density of staff per unit area. Evidence: Cabinet Report</p>	JE(AB)/SD	AB/CC 13/6/11	

Objective 2: Identify principal risks to achievement of objectives

Step 1: – The authority has robust systems and processes in place for the identification and management of strategic and operational risk

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.1	<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 political and risk management board (or equivalent) level Is reviewed on a regular basis Has been communicated to all relevant staff Includes partnership risks 	<p>Existence of approved strategy and policy document</p> <p>Evidence of formal approval (e.g. management board/committee minutes)</p> <p>Evidence of formal review (e.g. management board/committee minutes, document version number and date)</p> <p>Evidence of communication strategy, possibly covered in strategy document</p> <p>Examples of dissemination e.g. induction, briefings, awareness sessions, policy and strategy published on intranet, strategic diagnostic questionnaire results</p>	<p>Cabinet Agenda for 17 September 2009 - available at http://modern.gov:8080/Published/C00000249/M0004617/\$\$Agenda.doc.pdf</p> <p>Cabinet Report and Minutes of Meeting for 17 September 2009 (Agenda Item 9 Pages 97 to 118) - available on intranet at http://modern.gov:8080/Published/C00000249/M0004617/\$\$ADocPackPublic.pdf</p> <p>Risk management strategy, policy, guidance and templates available on the intranet at http://harrowhub/info/200193/risk_management/13/risk_management</p> <p>Risk management policy identifies risk management roles and responsibilities of partners - available on intranet on above link.</p> <p>Available on the Hub.</p>	DW/NB	NB 10.06.11	
2.2	<p>The authority has implemented clear structures and processes for risk management which are successfully implemented and:</p> <ul style="list-style-type: none"> Management board and elected members see risk management 	<p>Management board/committee minutes</p> <p>Job descriptions of senior and operational managers and corporate risk manager outline their risk management responsibilities and are covered in appraisals</p> <p>Internal audit reports and external audit</p>	<p>Corporate Directors have 1-2-1 meetings with the Risk Manager to update the Strategic Risk Register and Corporate Operational Risk Register. Each risk on these registers has been allocated an appropriate Corporate Director as the Risk Owner. (See Strategic Risk Register, Corporate Operational Risk Register February 2010.)</p>	DW/NB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>as a priority and support it by personal interest and input</p> <p>Decision making considers risk</p> <p>A senior manager has been appointed to "champion" risk management</p> <p>Roles and responsibilities for risk management have been defined</p> <p>Risk management systems are subject to independent assessment</p> <p>Risk management is considered in the annual business planning process</p>	<p>comments on risk management system</p> <p>CPA or PPAF review comments on risk management</p> <p>Annual business plans</p> <p>Link between internal audit and risk management functions is clearly defined in terms of reference of internal audit</p> <p>Responsibility for risk management function, including partnership risk management, is set at appropriate senior level</p> <p>Committee reports setting out options for change include an appropriate risk assessment, including the 'no change' option</p> <p>The corporate business plan and financial plan assess risks as appropriate and in particular take account of new and emerging risks facing the authority</p>	<p>Risk Manager meets with Directorate Risk Champions each quarter to update the Directorate risk registers. Risk Owners have been identified for each risk in the Directorate risk registers - Directorate Risk Registers Feb 2010</p> <p>Guidance Notes on the Role and Powers of Portfolio Holders Aug 2009</p> <p>Risk Management service manager job description.</p> <p>Cabinet report – budget and medium term financial strategy – Feb 2008.</p> <p>Cabinet/Committee report template/guide with compulsory risk option, and list of risk information provided in cabinet/committee reports for Aug 2009 - March 2010.</p> <p>Corporate Plan 2009-12</p> <p>Directorate Service Plans identify risks - Corporate Finance Service Plan 2009/10</p> <p>Roles and responsibilities for all included in risk management strategy/policy (see 2.1)</p> <p>Risk Management Manual (see 2.1).</p> <p>GARM Committee terms of reference.</p> <p>CSB role - CSB guidance Notes Aug 2009.</p> <p>CRSG terms of reference.</p> <p>IA Terms of Reference outlines link between IA & Risk Governance Summary - identifying risk management responsibilities.</p>			

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.3	The authority has developed a corporate approach to the identification and evaluation of risk which is understood by all staff	Systematic procedures for risk identification and evaluation have been agreed and are consistently applied across all business units and partnerships Examples of dissemination e.g. induction, briefings, awareness sessions, strategic diagnostic questionnaire results	Service Improvement Planning Guidance for Corporate Directorates for the 2009/10 financial year guidance. Risk Management Strategy & Policy (see 2.2) Risk Management Manual (see 2.2) Risk management training (see 2.6)	DW/NB	NB 10.06.11	
2.4	The authority has well defined procedures for recording and reporting risk	Evidenced by review of risk management strategy and policy Key risk indicators have been determined and there is evidence of monitoring against these risks Evidence of regular and frequent reporting of risk to political and management board level Evidence of risk based auditing being carried out Evidence of risks not properly addressed identified in internal audit reports etc being fed into the risk management process Environmental scanning reports are fed into the risk management process so as to identify new and emerging risks	Last risk management review conducted 2009. No KRIs used. Use of KRI considered and decided not to be used by Harrow Council. Key risks are not tracked through KRIs. Exception reporting of 'red' risks, in line with the agree risk appetite and delegated risk appetite, are reported to Improvement Boards and CSB in line with the Risk Management policy and guidance. Exception risk reporting to CSB and Improvements Boards each quarter. Revised risk register format requires this and last quarter's risk score to be provided. Changes in risks and quarterly risk scores for the Strategic Risk Register (since Dec 2001 - creation date) and the Corporate Operational Risk Register (Nov 2008 - creation date) are tracked in an excel worksheet by the Risk Manager. The service planning process requires identification of the context within which a Directorate works, which in turn should facilitate horizon scanning. Discussions at quarterly CSB	DW/NB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.5	The authority has well-established and clear arrangements for financing risk	Evidence that the authority's policy for risk financing is regularly reviewed in the light of costs and alternative risk mitigation strategies	<p>Performance meeting also provide opportunity for horizon scanning.</p> <p>The Risk Manager meets with the Risk Champion and Corporate Directors (Risk Owners) to update Directorate risk registers. This provides opportunity for discussion of and the identification of new and emerging issues through the challenge and scrutiny function provided by the Risk Manager in performance this function.</p> <p>Evidence of review of risk management policy – cabinet report.</p> <p>Reporting to CSB and Improvement Boards (see 2.2)</p> <p>Corporate Property and Infrastructure (Kier/EnterpriseMouchelle) Board reports and minutes</p> <p>Partnership risk management (see 2.11)</p> <p>GARM Report and Minutes 8 September 2009 - RAF update</p> <p>Risk based auditing undertaken – see IA ToR Ref (2.2) + example audit reports</p> <p>Evidence of risks not properly addressed identified in internal audit reports etc being fed into the risk management process.</p> <p>Internal procedures detailing claim handling. E.g. – liability claims procedures, property claims procedures, highways claims procedures etc.</p> <p>Independent annual actuarial advice, in line with</p>	DW(KV)/S D	DW/CC 13/6/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
		<p>All legal requirements for insurance are met</p> <p>Evidence that self-insurance provisions are subject to annual independent actuarial valuation and that contributions to the fund are adjusted accordingly</p> <p>Insurance claims being managed in accordance with 'Woolf' principles</p> <p>Evidence of monitoring the incidence of successful and unsuccessful claims and of feeding the results back into the policy for risk financing accordingly</p>	<p>professional guidelines that complies with Board for Actuarial Standards.</p> <p>Woolf principles adhered to – see above procedure documents.</p> <p>Policy documentation, Judicial review documentation. Successful LAML appeal.</p> <p>Actuarial Evaluations commissioned for 2009-10. Contributions adjusted in accordance with actuarial advice.</p> <p>New version of claims database introduced 2008/09 to improve risk financing information.</p> <p>LEAN review improved claims processes to ensure risk financing is appropriate and prudent.</p> <p>List of risk management training available 2009/10.</p> <p>Members Induction Briefing and presentation</p> <p>Managers Induction presentation</p> <p>E-learning – risk management module</p> <p>Staff Induction – risk management leaflet</p> <p>The Modern Councillor - member development charter action plan, development programme, and booklet.</p> <p>CRSG terms of reference - responsible for providing risk management awareness training for all relevant Council staff, looking at existing training methods and developing new opportunities for training (see 2.2)</p>			
2.6	<p>The authority has developed a programme of risk management training for relevant staff</p>	<p>Training programme for risk management</p> <p>Training needs analysis (both specialist staff development and general awareness)</p> <p>Regular newsletter or other means of communicating risk management issues to staff</p> <p>Induction programme includes risk management</p>	<p>LEAN review improved claims processes to ensure risk financing is appropriate and prudent.</p> <p>List of risk management training available 2009/10.</p> <p>Members Induction Briefing and presentation</p> <p>Managers Induction presentation</p> <p>E-learning – risk management module</p> <p>Staff Induction – risk management leaflet</p> <p>The Modern Councillor - member development charter action plan, development programme, and booklet.</p> <p>CRSG terms of reference - responsible for providing risk management awareness training for all relevant Council staff, looking at existing training methods and developing new opportunities for training (see 2.2)</p>	DW/NB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.7	<p>The corporate risk management board (or equivalent) adds value to the risk management process by:</p> <ul style="list-style-type: none"> Advising and supporting corporate management team on risk strategies Identifying areas of overlapping risk Driving new risk management initiatives Communicating risk management and sharing good practice Providing and reviewing risk management training Regularly reviewing the risk register(s) Coordinating the results for risk reporting 	<p>Corporate risk management board or equivalent terms of reference</p> <p>Minutes of corporate risk management board</p> <p>Reports to corporate management team</p>	<p>Intranet site – guidance on all risk processes. On HUB as above.</p> <p>GARM terms of reference - risk management responsibilities (see 2.2)</p> <p>GARM terms of reference (see 2.2.)</p> <p>CSB role - CSB guidance Notes Aug 2009 (see 2.2).</p> <p>CRSG terms of reference - aims and objectives (see 2.2).</p> <p>CSB reports (see 2.1)</p> <p>Member Development Panel terms of reference.</p> <p>CSB reviews Strategic Risk Register quarterly (2.2)</p> <p>CRSG agenda and minutes of meeting Feb 2010 - used to inform Directorate risk champions of best practice, and share information and lessons learnt.</p> <p>Improvement Boards review Directorate risk registers quarterly. (2.2)</p> <p>New risk initiatives - CRSG minutes Feb 2010</p> <p>Risk management CIP Reporting against 2009/10 targets - January 2010 update</p> <p>Risk management training (see 2.6)</p> <p>Communicating risk (see 2.1 and 2.6)</p> <p>Risk reporting to CSB and Improvement Boards</p>	DW/NB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.8	<p>A corporate risk officer has been appointed with the necessary skills to analyse issues and offer options and advice and:</p> <ul style="list-style-type: none"> Support decision making and policy formulation Provides support in the risk identification and analysis process Provides support in prioritising risk mitigation action Provides advice and support in determining risk treatments Inspires confidence in managers 	<p>Job description of corporate risk officer</p> <p>Key task matrix of corporate risk officer</p> <p>Evidence of the corporate risk officer reporting to corporate management team on risk management issues</p> <p>Evidence of training on current risk management topics / membership of appropriate organisations (e.g. ALARM)</p> <p>Use of consultancy as appropriate</p>	<p>(see 2.2)</p> <p>Risk Manager job description (see 2.2)</p> <p>Audit and Risk Group Service plan refers to projects/tasks the RMO and risk team are working towards.</p> <p>CSB reports (see 2.2)</p> <p>Risk Manager's quarterly meetings with Corporate Directors and Risk Champions to provide scrutiny and challenge in the update of the strategic, corporate operational and directorate risk registers (see 2.2.)</p> <p>Membership of ALARM – Membership number 8229</p> <p>Risk management in partnerships (see 2.11)</p> <p>Risk management training (see 2.6)</p>	DW/NB	NB 10.06.11	
2.9	<p>Managers are accountable for managing their risks</p>	<p>Evidence of manager involvement in risk identification and analysis process</p> <p>Risk owners detailed in corporate /departmental risk register(s)</p> <p>Evidence of (at least) annual review of risk at service/operational levels and of partnership risks</p> <p>Analysis of completed control and risk self-assessment questionnaires</p>	<p>Risk management roles and responsibilities for all managers are included in the Risk Management Policy. See 2.1.</p> <p>Senior management review their strategic and corporate operational risks on a quarterly basis (see 2.2)</p> <p>The strategic, corporate operational and directorate risk register(s) include risk owner and control owners (see 2.2)</p> <p>Risk for major commercial partnerships are</p>	DWNB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
			<p>regularly reviewed (see 2.11)</p> <p>Service Plans (at the Directorate level) include risk assessments, however there is no mandatory requirement to for service / delivery plans below the directorate level - copy of Service Improvement Plan Guide.</p> <p>Quarterly exception reporting of strategic and corporate operational risks to CSB Performance and of Directorate risks to the relevant Improvement Boards - copies of CSB report for meeting 17 February 2010 and copy of risk registers provided to Improvement Board meetings held 1-5 February 2010 (see 2.2).</p> <p>All Cabinet reports require authors to identify associated risks, making them accountable - list of risk information provided in reports (see 2.2)</p> <p>Managers Checklist - identifying risk management responsibilities (see 2.2).</p> <p>Use of CRSA questionnaires considered by CRSG Oct 2010 and deemed unnecessary to improve accountability.</p>			
2.10	Risk management is embedded throughout the organisation	<p>Evidence of a general risk management culture at all levels</p> <p>Evidence of managers involvement in risk management aspects of business planning</p> <p>Results of strategic diagnostic survey to ascertain the extent to which risk management is understood by each category of officer (senior management, operational managers etc) and members</p>	<p>Partnership risk management (see 2.11)</p> <p>Manager involvement (see 2.9)</p> <p>Risk registers as part of service planning and Directorate Improvement Plans (see 2.2)</p> <p>Service planning guidance (see 2.9)</p> <p>All Cabinet reports require authors to identify associated risks - list of risk information provided in reports (see 2.2).</p>	DW/NB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.11	Risks in partnership working are fully considered	<p>Evidence of risk assessments being undertaken before the commencement of major projects, preferably in the report on which the decision to proceed is based</p> <p>Evidence that risk assessment are regularly reviewed during the project period</p> <p>Evidence that potential partners are required to produce and submit risk assessments</p> <p>Evidence that partnership arrangements are reviewed in terms of risk before they are entered into and, subsequently, that the risks are reviewed</p> <p>Evidence that there are effective arrangements in place for risk sharing (e.g. in the partnering contract terms and conditions or agreement)</p> <p>Evidence that Partnership risk registers are in place</p>	<p>Corporate Risk Steering Group assists with embedding process as it consists on representatives from across the Council (see 2.7).</p> <p>Regular risk reporting to Improvement Boards and CSB Performance (see 2.2)</p> <p>Quarterly meeting of Risk Manager and Corporate Directors and Risk Champions utilised to increase Director and Champion's level of awareness and understanding of risk management (see 2.2)</p> <p>CRSG meetings - standing agenda item 'Sharing information and lessons learnt (see 2.7).</p>	DW/NB	NB 10.06.11	
			<p>Multiple documentation concerning partnership risk management, such as risk registers, agendas and minutes of meetings of appropriate teams/boards for corporate contract management, Apollo mobilisation, Capita BTP, HSP, Infrastructure & Property (Kier and Enterprise Mouchel), including the Strategic Partnership Board.</p> <p>Local Area Agreement 2008 and LAA Leaflet.</p> <p>Risk registers for HSP Management Groups are currently being developed, with the aim to provide a copy of completed risk registers to HCE on 24 May 2010. The joint strategic partnership risk registers will then be developed with the Partnership Board and HCE (by end August 2010) and be informed by the HSP Management Group risk registers</p> <p>HSP Management Groups (x5) terms of references, agendas and minutes of meetings, draft risk registers.</p>			

Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	Evidence that Risk owners assigned in relation to key partnerships	<p>HSP Governance Handbook, Induction Handbook and Protocols.</p> <p>HSP Board and Executive Membership List August 2008</p> <p>HCE Report July 2009</p> <p>HSP Performance Report Q2 2009</p> <p>Partners risk management roles and responsibilities are included in the Risk Management Policy (see 2.1).</p> <p>'Partnership Risk Management for the Public Sector and Public Service Organisations - A Guide and Toolkit</p> <p>Risk management Implications are required in all Cabinet reports (see 2.2).</p> <p>Standard contracts comprehensively cover contractor and 3rd party liability for death or personal injury. Standard model services contracts (used for contracts for service provision and works) and Goods contract.</p> <p>Major construction and highways partnering contracts with Kier, Apollo and Enterprise Mouchel comprehensively cover contractor and 3rd party liability, indemnity and insurance (available from Procurement). Standard consultancy, social care and bespoke contracts cover 3rd party liability, indemnity and insurance. PQQs and ITTs require advance evidence of appropriate health and safety and quality assurance policies, and adequate insurance arrangements from contractors before we contract with them. (Email from Stephen Dorrian</p>			

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
2.12	Where employed, risk management information systems meet users' needs	Evidence of risk information being updated promptly Review of accuracy and usefulness of output from information systems Evidence that users were/are consulted on initial implementation and further development Interviews with users to assess suitability of the system for their needs	14/4/2010) See http://harrowhub.harrow.gov.uk/download/70/std_ts_and_cs_0-5k for other standard terms and conditions and PQQ/ITT information.	DW/NB	NB 10.06.11	

Objective 3: Identify and evaluate key controls to manage principal risks

Step 1: – The authority has robust system of internal control which includes systems and procedures to mitigate principal risks

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
3.1	<p>There are written financial regulations in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff.</p> <p>Authority has adopted CIPFA code on Treasury Management</p> <p>Compliance with the Prudential Code</p>	<p>Financial regulations and instructions exist & are reviewed & updated regularly</p> <p>Evidence of formal approval</p> <p>Examples of dissemination e.g. induction, briefings, awareness sessions, accessible in finance manuals and/or on intranet site</p> <p>Reports to audit committee or equivalent confirming compliance or identifying extent of non-compliance with regulations and instructions</p> <p>Report approving annual treasury management and investment strategy</p> <p>Outturn report on treasury mgt.</p> <p>External audit assessment of compliance with Prudential Code</p> <p>Results of Use of Resources (or PURE) assessment of internal control KLOEs</p>	<p>Financial regulations currently in process of being updated. They will be passed to Cabinet in October 2011 and to Council in November 2011 for approval.</p> <p>Covered in staff and Management Induction Programmes.</p> <p>IA reports on systems highlight compliance/non-compliance where relevant and are sent to GARM.</p> <p>TM & Investment Strategy in place & approved by Cabinet 10/02/11. Evidenced.</p> <p>Outturn Report produced on TM which went to Cabinet 22/06/11. Evidenced</p> <p>As part of the Interim Audit, External Audit examined the TM system notes. Evidence.</p> <p>N/A</p>	JA/JH	JH 9/8/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
3.2	There are written contract standing orders in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff	<p>Standing orders exist, are reviewed and updated regularly to cover new procedures such as partnering arrangements and on-line tendering</p> <p>Evidence of formal approval</p> <p>Examples of communication and dissemination e.g. induction, briefings, awareness sessions, accessible in finance manuals and/or on intranet site</p>	<p>Contract Procedure Rules currently in process of being updated. They will be passed to Cabinet in October 2011 and to Council in November 2011 for approval.</p> <p>These will cover partnering and on-line tendering. Evidenced.</p> <p>All Harrow middle and senior managers have had training on Financial Regulations, including Contract Procedures, through a 'Harrow Rules' programme. Subsumed into a Management Development Programme from September 2008. CPR on intranet (some issues with versions). Included in induction process.</p>	JA(RH)/JH	JH 9/8/11	
3.3	There is a whistle blowing policy in place which has been formally approved, regularly reviewed and widely communicated to all relevant staff, partners, Members and the public.	<p>Whistle blowing policy exists and has been reviewed and updated regularly</p> <p>Evidence of formal approval</p> <p>Examples of communication and dissemination e.g. induction, briefings, awareness sessions, accessible on website and intranet site</p> <p>Evidence of effectiveness of policy (e.g. reports on incidence of usage, evidence on annual declarations on fraud to Audit Commission)</p>	<p>Whistleblowing policy exists and was reviewed and updated 2007 and again July 2011.</p> <p>Formally approved by Standards Committee 26/06/07. Accessible on intranet : 2011 review noted on current version.</p> <p>http://harrowhub/downloads/file/2086/whistleblowing</p> <p>The Whistleblowing Policy is covered in the Staff Handbook and referenced in the Induction checklist and the Manager's Induction programme. The policy was re-launched on 30/09/08 and disseminated via the intranet and staff update.</p> <p>Monitoring Office maintains a register of incidence and reports annually to the GARM Committee (November 2010).</p> <p>http://modern.gov:8080/documents/g60284/Public%20reports%20pack,%20Monday%2029-Nov-2010%2019.30.%20Governance,%20Audit%20and%20Risk%20Management%20Committee.pdf?T=10</p>	HP&JT/SD	CC 13/6/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
3.4	<p>There is a counter fraud and corruption policy in place which has been formally approved, regularly reviewed and widely communicated to all relevant staff</p>	<p>Counter fraud and corruption policy exists and has been reviewed and updated regularly</p> <p>Evidence of formal approval</p> <p>Examples of dissemination (briefings, induction, awareness sessions, accessible on website and intranet site</p> <p>Evidence of effectiveness of policy (e.g. reports on identified frauds; annual AF70 returns to Audit Commission, reports on results of National Fraud Initiatives)</p> <p>Review of register of gifts and hospitality</p>	<p>Corporate Counter Fraud Policy updated 2010 Updated version approved by Cabinet November 2010. Evidenced</p> <p>Accessible on internet site but only via search facility on intranet (CAFT have no specific pages).</p> <p>No awareness sessions etc. Intranet enhancement included in 2010/11 Fraud plan. Slot in the corporate induction to make staff aware. E-learning tool being developed.</p> <p>IA report on frauds to GARM in mid-year/year end reports (as before). CAFT posts details of successful prosecutions on Harrow Intranet site..</p> <p>NFI fed into AC secure web-site. CAFT falls within Audit & Risk and reports to GARM and lead member identified – reports to GARM each meeting covers performance + NFI where relevant.</p> <p>No review of gifts & hospitality undertaken from a fraud perspective. Planned for 08/09 & 09/10 but no resources. Not considered by the CAFT Service Manager as high risk therefore no resources to be allocated.</p>	DW(JP)/S D	CC 13/6/11	<p>GAPs c/f from 2008/09</p> <p>GAP 2010/11</p> <p>GAP 2010/11</p> <p>CCG 09/08/11 gaps agreed</p>
3.5	<p>Standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols which have been formally approved and widely communicated to all relevant staff, members of the public, stakeholders and Members.</p>	<p>Codes of conduct have been agreed, including national schemes</p> <p>Evidence of formal approval</p> <p>Examples of dissemination e.g. induction, briefings, awareness sessions, accessible on intranet site</p> <p>Performance management system (Covered above)</p>	<p>The Staff employee Code of Conduct is accessible to all staff on the intranet and is contained in the Employees Handbook. This is given to all new employees http://harrowhub/downloads/file/607/employee_handbook</p> <p>The manager's handbook is also given to all new managers and is found on the intranet at: http://harrowhub.harrow.gov.uk/info/200129/contracts_pay_roll_and_pensions/167/employee_handbook_for_managers</p> <p>Staff are briefed on the Code of Conduct in their informal</p>	JT/LC (staff) HP/VS (members)	LAC 27.6.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>Develop and maintain shared values including leadership values both for the organisation and staff reflecting public expectations and communicate these with members, staff, the community and partners .</p> <p>Use the organisations shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority and make clear to the public that this is the case.</p>	<p>performance appraisal (covered above)</p> <p>complaints procedures covered elsewhere)</p> <p>antifraud and corruption policy (covered above)</p>	<p>induction sessions with their line manager; checklist included in evidence file</p> <p>There are various references in the council's Constitution to conduct for Members.</p> <p>The Member Code of Conduct is available on the intranet and internet. Additionally the Council have established new Standards Committee webpages which provides greater detail to the public on Member conduct generally (Link: http://www.harrow.gov.uk/info/358/councillors-information_and_advice/2106/standards_committee).</p> <p>New and existing Members elected in May 2010 were required to sign a formal declaration of acceptance of office, which included a commitment to adhere to the Code of Conduct. Members were provided with an induction pack and training session on the Code of Conduct on 10 May 2010. Further training on the Code was also conducted on 17 May 2010. A training session on Social Media and the Code of Conduct is scheduled for 30 June 2011.</p>		(10 June 2011 VS)	
3.5a	<p>Performance against codes of conduct are monitored and breaches are dealt with appropriately.</p>	<p>No FAN suggestions as added by Harrow – do we have suggested evidence?</p> <p>(Members) – Minutes of Assessment, Review and Hearing Sub-Committees.</p>	<p>For employees, performance against the Employee Code of Conduct is considered under the Conduct procedure (replaced the Disciplinary Procedure in April 2009). Monitoring of these from an equalities perspective is reported to the Employee Consultative Forum on an annual basis (the last in January 2011)</p> <p>For members, complaints about breaches of code of conduct are reported to standards committee. Under the Localism Bill, the Council will no longer be required to have a standards committee. A working group has been set up to decide: 1) if we need a standards committee; 2) code of conduct; and 3) what to do about breaches of the code if it is decided to retain one. Under the Localism Bill we still have to uphold high standards but the Bill does not</p>	<p>JT/LC (staff)</p> <p>HP/VS (members)</p>	<p>LC 27.6.11</p> <p>JF-10 June</p>	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
3.6	A register of interests is maintained, regularly updated and reviewed	Inspection of register of interests (members and staff) Evidence of regular updating and review by senior officer(s)	provide for a mechanism for breaches except in the very serious cases where it will be a criminal offence not to declare an interest. Registers of interests for both staff and members are maintained. Members' register of interest is available for public inspection and maintained by Director of Legal & Governance Services. Members' register of interest is available on the Council's website. Members are regularly reminded to review their registers e.g., every 6 months in addition any changes should be notified within 28 days of a change. Staff registers are maintained by the individual Corporate Directors. These are not open to public inspection but can be inspected by Senior Officers. Published on the Harrow Web site	HP/JF	JF-10 June	
3.6a	The register of interests for members is publicly available and accessible to promote transparency, integrity and accessibility.	Published on the Harrow Web site	Published on the Harrow Web site	HP/JF		
3.6b	A register of politically restricted posts is maintained and publicly available and accessible.	Published on the Harrow Web site.	Published on the Harrow Web site	HP/JF		
3.7	Where a scheme of delegation has been drawn up, it has been formally approved and communicated to all relevant staff	Scheme of delegation incorporates adequate controls and sanctions Evidence of formal approval Examples of communication and dissemination e.g. induction, briefings, awareness sessions, accessible on intranet site Regular reports on the operation of the scheme (e.g. compliance, budget monitoring, year-end balances)	Financial Delegations are being updated as part of the update of Financial Regulations and Contract Procedure Rules. Following Cabinet approval in October these will be updated on the system as there will be changes to the current delegations. + Management assurance. Financial Delegations in place via SAP but other delegations patchy across Council (CIPFA ref to financial delegations which are in place) - confirmed by 2010/11 management Assurance Exercise SAP system ensures financial limits not exceeded. Individual directorates should monitor compliance. Budget monitoring reports to CSB and Cabinet.	JA/JH	JH 9/8/11	GAP 2008/09 c/f 2009/10 however CCG 16/07/10 agreed not to carry forward on Action Plan as in hand. ACTION:

Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
					HR drafting template for non-financial delegations to be reviewed by IA Not progressed + MA exercise suggests GAP GAP agreed JT 12/08/11
3.8 A corporate procurement policy has been drawn up, formally approved and communicated to all relevant staff	Procurement policy exists and has been reviewed and updated regularly to take account of new initiatives e.g. drive towards wider consortia arrangements, shared services Evidence of formal approval Examples of dissemination e.g. induction, briefings, awareness sessions, accessible on intranet site Evidence of effectiveness of policy (e.g. benchmarking results, best value review, internal/ external audit review)	Procurement Strategy updated 2009. This overarching strategy runs from 2009-2012. A Sustainable Procurement Policy is due to go to Cabinet in October 2011. Separate strategies are put together for individual procurements in accordance with the overarching Procurement Strategy. Cabinet Nov 2009 see 3.2 Intranet, briefings. We are part of the CIPFA benchmarking club for corporate services which includes Finance, IT, HR, procurement, property. Benchmarking is carried out every other year and is due to be carried out in September 2011.	JA(RH)/JH	RH/JH/ST 9/8/11	
3.9 Business/service continuity plans	Current business/service	BC plans have been completed for the council's	DW(KG)/S		

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>have been drawn up for all critical service areas and the plans: Are subject to regular testing</p> <p>Are subject to regular review</p>	<p>continuity plans exist covering all critical service areas and are readily accessible</p> <p>Evidence of regular testing</p> <p>Evidence of regular review in the light of the results of testing and for changes in structures, procedures, information systems, responsibilities etc</p>	<p>departments and have been reviewed by their Directors in June 2010. Corporate Directors and Divisional Directors keep copies of their individual BC plans + Emergency Planning Section retain copies + Corporate BC plan.</p> <p>All directorate plans tested November 2010 & again in Feb 2011 with the Corporate BC Plan..</p>	D	CC 13/6/11	
3.10	<p>The corporate/departamental risk register(s) includes expected key controls to manage principal risks</p>	<p>Risk register sets out principal risks and sets out appropriate key controls to manage them.</p> <p>Key controls are monitored, reviewed and updated regularly</p> <p>Use of risk management workshops to underpin the process and review of register and key controls</p> <p>Risk owners are assigned to manage principal risks</p>	<p>The Risk Manager meets with the Corporate Directors (Risk Owners of strategic and corporate operational risks) each quarter to update the Strategic Risk Register and Corporate Operational Risk Register (see 2.2).</p> <p>The Risk Manager meets with the Directorate Risk Champions on a quarterly basis to update the Directorate level risk registers (see 2.2)</p> <p>These risk registers include information on the controls (in place, underway and planned) and identify the Risk Owners for each risk (see 2.2).</p> <p>Quarterly reporting of risks to CSB Performance Board and Improvement Boards (see 2.2)</p>	DW/NB	NB 10.06.11	
3.11	<p>Key risk indicators have been drawn up to track the movement of key risks and are regularly monitored and reviewed.</p>	<p>Appropriate key risk indicators are documented</p> <p>Evidence of regular monitoring</p> <p>Evidence of changes in risk indicators (and reasons for change) emanating from appropriate information sources (e.g. where internal audit findings are used to</p>	<p>KRI's are not used by Harrow Council.</p> <p>The movement of the risk score of strategic risks and corporate operational risks since December 2003 has been tracked in an excel spreadsheet (SR and COR Movement.xls) and updated each quarter after CSB Performance Board meetings.</p>	DW/NB	NB 10.06.11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
3.12	The authority's internal control framework is subject to regular independent assessment	change the perceived level of risk) Internal audit plans and reports Annual report/opinion of Head of Internal Audit External audit reports Use of Resources/PURE assessment reports	IA produce Annual Plans (Evidence: 2010/11 Plan) All reports go to GARM Committee (as before) Annual report/opinion on control environment included in Year-end report (Evidence: 2010/11 Year-end report). External Audit annual Report No longer applicable – previously 3/4 on Internal Control	DW/SD	CC 13/6/11	
3.13	A corporate health and safety policy has been drawn up, formally approved, is subject to regular review and has been communicated to all relevant staff	Health & safety policy exists and has been reviewed and updated regularly Policy covers partnerships Evidence of formal approval Examples of dissemination e.g. induction, briefings, awareness sessions, inclusion of policy on website and intranet site Evidence of effectiveness of policy e.g. number of cases investigated by Health & Safety Executive – and the number of cases proven Review of number of reported incidences and 'near misses'	H&S policy exists 2009 and has recently been reviewed and is currently under consultation (July 2011) http://harrowhub/downloads/download/1491/draft_health_and_safety_policy Policy does cover partnerships Annual Health and Safety report to H&S Partnership Board, Employees Consultative Forum and Cabinet July 2010 + GARM June 2010. Part of annual Health and safety report	DW/SD	CC 13/6/11 Updated SD 11/08/11	
3.14	A corporate complaints policy/procedure has been drawn up, that is effective, transparent and accessible, includes an explanation of how to make a complaint against a Member, formally approved, communicated	Complaints policy/procedure exists and has been reviewed and updated regularly Procedure is compliant with all relevant statutory requirements	Complaints procedure on Harrow Web site: http://www.harrow.gov.uk/info/353/complaints-procedure/1794/complaining_about_the_council Customers able to use web form to submit complaints Complaints Procedure – Staff Guidance:	TW(CC)/LM	LM 14/06/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	to all relevant staff, the public and other stakeholders, is regularly reviewed and the Council can demonstrate that complaints have been dealt with speedily and robustly.	<p>Evidence of formal approval</p> <p>Examples of dissemination e.g. induction, briefings, awareness sessions, inclusion of policy on website and intranet site</p> <p>Leaflets/posters highlighting complaints procedure</p> <p>Complaints files</p> <p>Committee reports summarising complaints dealt with analysed by outcome</p> <p>Members Code of Conduct</p>	<p>http://harrowhub/info/200197/complaints_and_feedback</p> <p>Policy/procedure signed off by Council in September 2008</p> <p>Policy awareness part of staff induction since March 2009</p> <p>Approximately 250 staff have attended training in handling/investigating complaints since April 2009 and approx 100 in 10/11.</p> <p>Briefing session also held for Members June 2009. Next one due for October 2011.</p> <p>Leaflet produced May 2009 – also on Intranet and distributed accordingly - provided as evidence</p> <p>Complaints Action plan attached as evidence</p> <p>A Corporate Complaints Policy was signed off in September 2008.</p> <p>Separate procedures which have been approved by the Standards Committee are in place for dealing with complaints against Councillors. Procedure at https://www.harrow.gov.uk/site/scripts/documents_info.php?documentID=1389</p>			
3.14a	The Council can demonstrate that complaints have been dealt with speedily and robustly.	Suggested evidence?	LGO decided on 66 complaints against the council during the year 2010/2011. In 25 there was no evidence of maladministration, and 15 complaints were outside jurisdiction. In a further 13 complaints the LGO exercised discretion not to investigate further. Typically these are cases where even though there may have been some fault by the council there is no significant injustice to the complainant. We received of 13 Local Settlements in comparative to 12 for the period 2009/2010.	TW(CC)/L M	LM 14/06/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
			<p>See Improvement Board report Q4 – shows percentage of complaints answered on time for a quarter.</p> <p>Performance reports now up and running on CRM where we can actively monitor our complaint response targets.</p>			
3.33	The council manages data on systems with controlled and secure access.		All Council IT systems including network are governed by user ID and passwords (as outlined in the Acceptable Use Policy)	DW/TM	CC 13/6/11	
3.34	<p>There are up-to-date data security policies and guidance in place covering:</p> <ul style="list-style-type: none"> • key business areas 		<p>All Information Management Policies and Data Quality Policy are up to date.</p> <p>Following policies now in place and approved (June 2009) by the Information Governance Board (IGB):</p> <p>Acceptable Use Policy, Data Handling Procedure by Sensitivity, DPA Policy, GCSx AUP and Personal Commitment Policy, Information Security Policy, Incident Reporting and Management Procedure, Information Management Policy, Remote Equipment Policy.</p> <p>Also Information Charter produced to inform Citizens/residents of our data security protocols.</p> <p>There is no consistent approach for validating information from third parties as it is the responsibility of the contract 'owner'.</p>	DW/TM	TM 10/06/11	<p>CCG Gap accepted 09/08/11</p> <p>GAP 2010/11 (c/f 2009/10)</p>
3.35	Policies and procedures meet the requirements of national standards, rules, definitions and guidance, for example the Freedom of Information Act and Data Protection Act. The council		<p>See 3.34 also:</p> <p>All information management policies have been drawn up within the requirements of current legislation and guidance from LGA, Central Government and the Information Commissioner.</p>	DW/TM	TM 10/06/11 Update SD 11/08/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>periodically reviews and updates these as necessary. The council can demonstrate it applies policies and procedures consistently and there are mechanisms in place to check this, based on risk.</p>		<p>The Council's Information Manager has the responsibility to periodically review information Management policies annually (latest review May/June 2011) or when required if change in legislation or directive. http://harroshub/downloads/download/303/information_management_policies_and_procedures We have produced a programme of walkabouts to monitor staff and their adherence to these policies (this has ceased and was only monitoring cltr, alt delete of workstations not ALL policies). These are jointly conducted by the Service Manager for Information Management, the Council's SIRO (Divisional Director for Fraud, Audit & Risk) and the Performance and Data Service. We are targeting main areas of risk that have high probability of confidential data.</p>			
3.36	<p>Senior management receive the results of these reviews and take corrective action where necessary. The council complies with data protection legislation, and other relevant requirements, without creating unnecessary barriers to sharing data legitimately with partners.</p>		<p>Any risks to the Council by way of potential data security breaches found on the walkabouts are immediately conveyed to the service manager of that particular area and reported to the Council's Information Governance Board (IGB). See above 3.35 Data protection protocols are in place within the Council. New Data Protection Policy in place (June 2009) and Data Protection Champions are now installed for each department. The Service Manager for Information Management now has the responsibility for co-ordinating the "virtual" team of DPA champions.</p>	DW/TM	CC 13/6/11	
3.37	<p>The council manages information risk effectively. Arrangements meet the requirements expected in government including having a capable Senior Information Risk</p>		<p>Information Asset Register (IAR) and Information Risk Register (IRR) implemented as a result of the risk reduction exercise undertaken in May/June 2009. Information Risk Policy in place (Nov 2009) and</p>	DW/TM	TM 10/06/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>Owner (SIRO). The council complies with the requirements set out in any relevant codes of connection for services it has in place, for example the Government Secure Intranet / Government Connect</p>		<p>Information Risk guidelines implemented with clear guidelines on who is responsible for information risks.</p> <p>SIRO appointed June 2009.</p> <p>The Council has complied with the Governments Code of Connection and was formally certified on 1st Sept 09 and updated 29/07/11. However CAFT moved 01/08/11 to open plan office that does not, in the opinion of the CAFT Service Manager and the Information Management Service Manager comply with the relevant code of connection.</p>		<p>SD 08/08/11</p>	<p>GAP 2010/11</p> <p>CGG agreed gap 09/08/11 - MB to be joint action owner</p>
3.38	<p>The council incorporates good practice standards and specified public sector policies on data and information security into its own policies and procedures. For example, ISO27001 and relevant Codes of Connection for the NHS Network (N3) and Government Secure Intranet and Government Connect.</p>		<p>In order to improve on data security, the Council has commissioned a gap analysis exercise (Dec 09) to help identify gaps in data security practices to enable us to imbed an ISMS to ISO27001 standards.</p> <p>Capita and the Council are now working together to implement some of the gaps to imbed an ISMS to ISO standard. TM to provide copy of action plan.</p> <p>Existing policies comply with Government connect requirements.</p>	<p>DW/TM</p>	<p>TM 10/06/11</p>	<p>GAP 2010/11</p> <p>CGG agreed gap 09/01/11 - no action required</p>
3.39	<p>The council can demonstrate it is reducing the number, severity, or both, of security incidents as well as feeding lessons from incidents</p>		<p>A security incident log is now in place and is monitored by the Service Manager for Information Manager (SMIM) and IT Client side Strategic Infrastructure Team Leader. (SITL). Policies and procedures have also been improved through improvement reviews conducted by SMIM & SITL</p>	<p>DW/TM</p>	<p>TM 10/06/11</p>	

Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
into information security policies and practice.		i.e. Incident reporting and management procedure. Computer Based Training has been introduced for pilot staff (GCSX) in August 2009 and information security e-learning was rolled out to all users in 2009/10. An awareness campaign (emails, posters, coasters, IM day, etc) was launched at in July 2009 to promote Information Management & Security. The campaign is a rolling programme throughout the year and focuses on all aspects of IT information security within the work environment.			

Objective 4: Obtain assurance on the effectiveness of key controls

Step 1– Appropriate assurance statements are received from designated internal and external assurance providers:

- The authority has identified appropriate sources of assurance
- Appropriate external assurances are identified and obtained

Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
4.1 The authority has determined appropriate internal and external sources of assurance	Minutes of committee at which report on assurances was considered Sources of assurance are appropriate to the authority	GARM committee received regular governance updates throughout 2010/11 – see 1.16 See Governance update report (Evidence 08/09 1.10) & IA Governance Framework (Evidence 08/09 report 1.11) identifies sources of assurance	CGG/SD	13/6/11 CC	
4.2 Appropriate key controls on which assurance is to	Briefing notes, guidance, instructions etc given to appropriate managers regarding what is expected of them	Core Financial Systems Key Control reports Core Financial Systems System Notes Management Assurance guidance see 4.3	CGG/SD	10/6/11 CC	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	be given have been identified and agreed					
4.3	<p>Departmental assurances are provided</p>	<p>Departmental heads sign off on adequacy of controls (i.e. provide annual governance assurance statements)</p> <p>Supporting documentation provided by departmental heads re review and monitoring arrangements that key controls have been in operation for the period and will continue to operate until accounts signed off. (<i>Structured process and standard documentation to ensure consistency of coverage and common understanding of level of assurance given</i>)</p> <p>Completed Control & Risk Self-Assessment questionnaires</p> <p>Annual governance assurance statements evaluated by officer team or committee charged with the responsibility of preparing the AGS. Evaluation to include 'reality checking' of sample of assurance statements</p>	<p>Management Assurance process well developed and in place for last 6 years.</p> <p>Supporting documents provided to Internal Audit.</p> <p>Guidance provided on evidence required and how to complete assurance self-assessment.</p> <p>Self-assessments completed by all 3rd tier managers and combined to produce Directorate and Corporate Statements.</p> <p>Assurance statements reviewed by Corporate Governance Group and GARM Committee.</p> <p>Reality checking undertaken by Internal Audit and reported to CGG + CSB + GARM</p> <p>Report produced on Management Assurance Exercise provided to CGG + CSB + GARM.</p>	CGG/SD	13/6/11 CC	
4.4	<p>External assurance reports are collated centrally</p> <p>Reports are reviewed by relevant senior management</p>	<p>Sources of external assurance relevant to authority are identified and agreed, including partnerships</p> <p>External assurance reports will vary according to type of authority and could include comment and input from the following (the list is not exhaustive):</p>	<p>Source of external assurance are the Audit Commission</p> <p>External auditors reports – an External Audit report is attached as evidence. See 1.22.</p> <p>External audit reports by CQC, Ofsted, available from their websites</p>	TW/LD	LD 6/7/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>team and reported to appropriate committee</p> <p>Action plans are prepared and approved as appropriate</p> <p>Follow up reports on recommendations are requested and reviewed by relevant senior management team and progress is regularly reported to relevant committee</p>	<p>Audit Commission</p> <p>External Auditor (either from direct audit work or from work jointly commissioned)</p> <p>Social Services Inspectorate</p> <p>Use of Resources assessment</p> <p>PURE assessment (police service)</p> <p>Best Value Reviews</p> <p>HMIC</p> <p>Police Standards Unit</p> <p>Home Office commissioned reports</p> <p>Senior management team minutes</p> <p>Follow up reports to appropriate committee</p>	<p>Example reports and action notes that relate to the CSB performance morning can be provided as evidence on request</p> <p>Harrow Chief Executive's considers actions against Audit Commission findings through its performance mornings.</p>			
4.5	Internal Audit Arrangements	<p>Reports of Head of Internal Audit to audit committee or equivalent throughout the year</p> <p>Annual report of Head of Internal Audit, including opinion on internal control and risk management framework</p> <p>Annual corporate governance assurance statement</p> <p>Internal or external audit review of corporate governance arrangements</p> <p>Monitoring reports to committee on delivery of action plans in response to reviews of corporate governance</p>	<p>Mid-year and Year-end reports provided by the Service Manager, Internal Audit to the GARM committee.</p> <p>Year-end report includes an Audit Opinion on the Overall Control Environment.</p>	DW/SD	10/6/11 CC	
4.6	Corporate Governance Arrangements	<p>Annual corporate governance assurance statement</p> <p>Internal or external audit review of corporate governance arrangements</p> <p>Monitoring reports to committee on delivery of action plans in response to reviews of corporate governance</p>	<p>AGS report</p> <p>IA report on Corporate Governance Framework (See 1.11)</p> <p>Mid-year and year-end AGS action plan updates to CCG/CSB/GARM</p>	CGG/SD	10/6/11 CC	

Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
4.7 Performance monitoring arrangements	Annual and in-year reports on delivery of key performance indicators by internal and/or external review agencies	Internal auditors reports – an example is attached 1.22 – External auditors reports – a report is attached 1.22	TW/LD	LD 6/7/11	

Objective 5: Evaluate assurances and identify gaps in control/ assurances

Step 1: The authority has made adequate arrangements to identify, receive and evaluate reports from the defined internal and external assurance providers to identify areas of weakness in controls

Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
5.1 Responsibilities for the evaluation of assurances are clearly defined throughout the organisation.	Minutes of committee meetings Training plans Job descriptions Committee terms of reference	Responsibilities for the evaluation of assurances such as Management Assurance and annual review of governance arrangements are clearly defined in GARM and CGWG/CGG terms of reference. (as before) GARM, Improvement Boards and CSB receive annual MA report + mid and year-end IA reports, GARM also receive individual IA reports as well as relevant managers. Managers response to IA reports covered in Financial Regulations. Workforce strategies and associated L&D plans. Assurances from EA + Inspections covered under management responsibilities covered in Fin Regs – action plans agreed by relevant managers in response to all inspection and EA reports.	CGG/SD	10/6/11 CC	
5.2 Mechanism established for collecting governance assurances	Terms of reference and key responsibilities Record of assurances required and received is held and is complete	Overall responsibility allocated to CGG supported by CGWG – Terms of Reference in place for both – CGWG updated + CGG updated 18/08/09. AGS Assurance & Evidence table outlines assurances	CGG/SD	CC 13/6/11	

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>Overall responsibility allocated to governance senior officer group</p> <p>Required assurances are agreed and recorded</p> <p>Central record of all assurances (either evidence file, or showing clear link to where evidence is held)</p> <p>Clear guidance as to evaluation procedure including assurance over risks, independence and objectivity of assurances</p> <p>Defined evaluation mechanism</p> <p>Timetable for completion by statutory deadline</p>	<p>Approved written guidance re evaluation procedure</p> <p>Scoring matrix/methodology (<i>Not all assurances are suitable for grading; many will be subjective anyway. Key points are that there is a consistent and reliable assessment process and that the conclusions drawn are in line with the evidence produced</i>)</p> <p>An agreed timetable, allowing for in-year evidence gathering and assessment and for the period between the year-end and the date of the governance assurance statement (timetable driven by that for the production of the annual statement of accounts)</p> <p>Gap assessment results and actions arising there from</p> <p>Minutes of meetings</p> <p>Annual report of Head of Internal Audit – including opinion on internal control and risk management framework</p> <p>Reports of external auditor and other external review agencies</p>	<p>required and records those received, completed by CGWG.</p> <p>Evaluation undertaken by CGWG and reviewed by CGG – objective gap analysis methodology used (see table and CGWG minutes). Evaluation mechanism understood by CGWG and recorded in minutes.</p> <p>Agreed timetable from collection of evidence through to drafting of AGS and inclusion in annual accounts for approval by GARM committee.</p> <p>Central record of assurances held ('v' drive) or links to evidence recorded in evidence table.</p> <p>Objective gap analysis methodology used to formulate action plan.</p> <p>CGWG minutes available. Notes of action points from CGG meetings kept by SM, IA.</p> <p>Annual report of Service Manager, Internal Audit includes opinion on overall control environment.</p> <p>Service Manager, Internal Audit's report to CGG on AGS covering collection of evidence.</p>			

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	Gap assessment – performed and challenged					

Objective 6: Action plan to address weaknesses and ensure continuous improvement of the system of corporate governance

Step 1: – There is a robust mechanism to ensure that an appropriate action plan is agreed to address identified control weaknesses and is implemented and monitored

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
6.1	An action plan is drawn up and approved	Prioritised action plan, setting out actions, responsibilities and timescales, approved at appropriate level Minutes Each action on prioritised action plan is compliant with 'SMART' test	AGS 09/10 action plan drawn up and presented to GARM in September 2010. Evidence action Plan Year end position reported to GARM June 2010 and fed into 2010/11 review. Action plan 2010/11 will be included in report to GARM Sept 2011.	CGG/SD	CC 13/6/11	
6.2	All actions are 'SMART': Specific Measurable Achievable Realistic Time-bound	Each action on prioritised action plan is compliant with 'SMART' test	Targets on AGS Action Plan are smart. Evidence Action Plan	CGG/SD	CC 13/6/11	
6.3	Actions communicated and responsibilities assigned	Responsibilities for each action are defined in action plan Evidence of distribution of action plan to those who require it	Responsibilities for each action are defined in the action plan. Evidence of distribution of action plan to those who require it for 09/10 retained (e-mails).	CGG/SD	CC 13/6/11	
6.4	Implementation timescales agreed	Target dates included in action plan	Action plan includes target dates.	CGG/SD	CC 13/6/11	
6.5	Ongoing review of progress and of continuing appropriateness of action	Timetabled reviews Minutes Progress reports Internal audit or other review of implementation of agreed actions	Minutes of GARM demonstrate mid-year & year-end review of 09/10 action plan during 10/11, progress reports prepared and evidence obtained of implementation.	CGG/SD	CC 13/6/11	

Objective 7: Annual Governance Statement

Step 1: – An Annual Governance Statement has been drafted in accordance with the statutory requirements and timetable set out in the Accounts and Audit Regulations 2003, as revised by the Accounts and Audit (Amendment) (England) Regulations 2006, and is in accordance with CIPFA guidance

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
7.1	Responsibility for the compilation of the Annual Governance Statement has been assigned	Documented key responsibilities Minutes	CGG July 2008 minutes – assigned lead & process	CGG/SD	CC 13/6/11	
7.2	There is an Annual Governance Statement production timetable that meets the statutory deadline	Annual Governance Statement timetable is linked to that for the preparation of statutory accounts	Timetable agreed for CGWG + CGG input to production of AGS for presentation as part of final accounts to the GARM in September 11	CGG/SD	CC 13/6/11	
7.3	The Annual Governance Statement is reviewed, challenged and approved by the authority – signatories defined and are appropriate in accordance with statutory requirements (i.e. Most senior officer and most senior member	Terms of reference assigned to senior officers group Annual Governance Statement is compliant with CIPFA guidance Minutes	GCWG produce evidence for AGS with input from IA, Management Assurance Exercise etc., CGG review/challenge evidence and draft AGS, compliance with CIPFA guidance checked by IA. AGS signed off by Leader and CE and presented to GARM for review/challenge/approval. Terms of refs as before.	CGG/SD	CC 13/6/11	

	of the organisation)					
7.4	<p>Governance assurance statement is prepared, incorporating all the required elements of the statement on internal control</p> <p>Governance assurance statement is prepared by a senior officer group under terms of reference defined by the authority</p> <p>Statutory timetable is followed</p>	<p>Format of governance assurance statement clearly incorporates required elements of the statement on internal control</p> <p>Governance assurance statement is prepared by a senior officer group under terms of reference defined by the authority</p> <p>Statutory timetable is followed</p>	<p>See AGS format consistent with CIPFA requirements.</p> <p>CGG – see terms of reference as before</p> <p>Presented to GARM committee with Accounts in September each year complying with statutory timetable</p>	CGG/SD	CC 13/6/11	

Objective 8: Report to cabinet / executive committee

Step 1: In support of objective 8 – An annual report to the authority (or delegated committee) on the Annual Governance Statement is presented, in accordance with the CIPFA pro forma

	Examples of assurance:	FAN Suggested Evidenced by:	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
8.1	<p>Responsibility for reporting is clearly defined</p>	<p>Initial report explaining the requirement to produce an annual governance assurance statement incorporating the SIC should establish the reporting arrangements / responsibilities of all involved and set out who should sign the annual governance assurance statement after approval by the authority or designated committee</p> <p>Reports identifying any changes to initial arrangements</p>	<p>Initial report prepared by SM, IA explaining requirements included in Governance Update report reported to CSB and GARM March 08</p> <p>No changes to initial arrangements</p>	CGG/SD	SD 08/08/11	
8.2	<p>The report is</p>	<p>Assessment of the current position</p>	<p>Draft AGS prepared for end of June 2011 and included</p>	CGG/SD	SD 08/08/11	

	likely to be published in a timely fashion with the statutory accounts	in relation to the statutory deadline	in draft accounts. Second draft to be prepared in time for GARM meeting on 6th September 2011 – on target		
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Applying the CIPFA/SOLACE Core Principles (In support of objective 1)
Step 1 - Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

	The code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
9.1	Develop and promote the authority's purpose and vision	Used as a basis for: corporate and service planning shaping the community strategy local area or performance agreements	The Council's vision was established through extensive public consultation, the "Lets Talk" exercise, which fed into a political process culminating in the Leaders Report which accompanied the Year Ahead Statement. The vision is revisited each year to assess its continued relevance. The vision is used to check that the corporate priorities serve to move the authority in the right direction and to assist in refreshing the Sustainable Community Strategy. Evidence of 1.5	TW(MH)/LD	LD 6/7/11	
9.2	Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements		The Council's vision is reconsidered as part of the Corporate Planning process each year. Evidence – Corporate Plans 2008/11; 2009/12; 2010/13, 2011/12 – for last see 1.5.	TW(MH)/LD	LD 6/7/11	
9.3	Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all	Partnership protocol Governance Code	Harrow Strategic Partnership developed the Sustainable Community Strategy 2009 – 2020 which sets a vision for the Borough. It has also devised and adopted the LAA which forms a three year plan helping to achieve the longer term vision. Evidence – Sustainable Community Plan 2009 – 2020 , (1.5), LAA 2008 – 2011	TW(MH)/LD	LD 6/7/11	

	The code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	parties					
9.4	Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available	This information is reflected in the authority's: corporate plan medium term strategy resourcing plan in order to ensure improvement	All directorates are required to report to relevant improvement board on their performance in meeting the council's corporate customer service standards. Systems are in place to monitor each channel, which combines technological and manual mechanisms. Monitoring is also supported by council wide mystery shopping exercises. Service users are consulted about their views on the service received in a variety of ways. An example is the Adult Community Care User (ACCU) survey.	TW(CC)/LD	LD 6/7/11	
9.5	Put in place effective arrangements to identify and deal with failure in service delivery	complaints procedure	As a key channel into the Council's services Access Harrow manages and rectifies service failures and is meeting its target of resolving 80% of enquiries at first contact. In addition for areas where a resident may wish to take a more formal route the Corporate Complaints process and system has been in place for 24 months and is used to record, monitor and report on complaints received by the council. Corporate Complaints Officer currently undertaking a Lean review of complaints. This will involve ongoing consultation with customers in the form of complaint surveys with a view to continuously improving on performance service delivery. Service improvements/lessons arising from complaints are reported in complaint report to Improvement Boards	TW(CC)/LM	LM 14/06/11	
9.6	Decide how value for money is to be	The results are reflected in authority's performance plans and	Value for money: The authority strives to deliver good value for money to its	TW/LD	LD 6/7/11	

	The code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions.	in reviewing the work of the authority	<p>residents by improving performance and minimising costs.</p> <p>A wide range of vfm benchmarking information is used e.g. Audit Commission vfm profile CIPFA vfm benchmarking tool London Council LAPS tool CIPFA benchmarking clubs – Benefits, Collections, ICT, HR, Finance, Children DoH Use of Resources Analysis for Social Care Housemark Benchmarking Club.</p> <p>This enables each directorate to understand where costs are high and feeds into vfm improvement plans.</p> <p>Understanding of vfm strengths and weaknesses has been fundamental in Harrow’s efficiency drive and in the transformation programme that is currently underway.</p> <p>Each Corporate Directorate has a VFM Improvement Plan which forms part of their Service Improvement Plan.</p> <p>Cabinet report template has been updated to include a question on Environmental Impact.</p>			

Applying the CIPFA/SOLACE Core Principles

Step 2 – Members and officers working together to achieve a common purpose with clearly defined functions and roles

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
10.1	Set out a clear statement of the respective roles and	constitution record of decisions	Allocation of Responsibilities of the executive the individual members are set out in the Council’s	HP/JF	JF – 10 June	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into practice and communicating this to members of the public, all staff, stakeholders and Members.	supporting materials	<p>Constitution. Members must comply with the code of conduct (see note at 3.5a) which is also set out in the Council's Constitution. Minutes of all decisions made by the executive and individual executive members are available on the intranet and internet and records are maintained by Legal & Governance Services.</p> <p>Example of Minutes : Cabinet (Executive) http://moderngov:8080/ieListDocuments.aspx?CId=288&MId=60273&Ver=4</p> <p>Individual Executive Member (Portfolio Holder) http://moderngov:8080/mgDelegatedDecisions.aspx?XRR=0&DR=01%2f01%2f2009-30%2f07%2f2009&ACT=Find&K=0&V=0&DM=0&DS=2&META=mgdelegateddecisions&Next=true</p> <p>http://moderngov:8080/ieListDocuments.aspx?CId=684&MId=60089&Ver=4</p>			
10.2	Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers and communicate this to members of the public, all staff, stakeholders and Members.	constitution conditions of employment	<p>The role of other members of the authority is set out in Article 2 of the Constitution. The Constitution also includes the Code of Conduct, Protocol on Councillor/Officer Relations and the Employee Code of Conduct.</p> <p>Roles of the Corporate Strategy Board are on the council's website: http://www.harrow.gov.uk/info/200152/council_departments/2172/harrow_council_organisation_and_managers Brief description of the roles of elected Members and portfolio holder responsibilities are on the council's website at the following link: http://www.harrow.gov.uk/info/200144/councillors-information_and_advice</p>	HP&JT/L C	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
10.3	Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority taking account of relevant legislation and ensure that it is monitored and updated when required and communicate this to members of the public, all staff, stakeholders and Members.	scheme of delegation statutory provisions	Relevant information contained in the Constitution. Delegations are reviewed and approved annually. Matters specifically reserved for council and cabinet are reviewed and updated in accordance with legislation when issued. See Minutes of Council 12 May 2011. The remainder of the constitution is regularly reviewed and updates recommended to Council for approval. Reports and minutes of the CRWG are available.	HP/JF	JF – 10 June	
10.4	Make a chief executive or equivalent responsible and accountable to the authority for all aspects of operational management	job descriptions/specification Performance management system	MB: CE is the Head of Paid Service	JT&TW/L C	LC 27.6.11	
10.5	Develop protocols to ensure that the leader and chief executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained	new chief executive and leader pairing consider how best to establish and maintain effective communication	No protocols currently in place - A meeting is being arranged with the Chief Executive to discuss it – Monitoring officer chasing.	HP/JF	JF – 10 June	GAP 2009/10 c/f 2010/11 CGG agreed gap 09/08/11 – Monitoring officer to provide verbal update for GARM 06/09/11
10.6	Make a senior officer (usually	Section 151 responsibilities	Role of S151 officer is allocated to interim Director of	JA&JT/J	LC 27.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
10.7	<p>the section 151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.</p> <p>Make a senior officer (other than the Responsible Financial Officer) e.g. the Monitoring Officer, responsible to the authority for ensuring that agreed procedures and protocols are followed and that all applicable statutes, regulations are complied with and publicise the role of this officer to members of the public, all staff, stakeholders and Members.</p> <p>Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice into their procedures and decision making processes.</p>	<p>S112/14 Local Gov't Finance Act 1988</p> <p>Statutory provision</p> <p>Statutory reports</p> <p>budget documentation</p> <p>job description/specification</p> <p>monitoring officer provisions</p> <p>Statutory provision</p> <p>job description/specification</p> <p>constitution</p>	<p>Finance and supported by constitution and scheme of delegation.</p> <p>See financial regulations</p>	H		
10.8	<p>Develop protocols to ensure effective communication and clear understanding between</p>	<p>Member/officer protocol</p>	<p>Statutory Monitoring Officer provisions contained in Part 3 of the Constitution. Statutory Monitoring Officer functions to report on likely contravention of any enactment or rule of law. Chief and Statutory Officers are required to comply with council procedural rules (as evidenced in the Constitution).</p> <p>Role profile for the monitoring officer is in the constitution at: http://www.harrow.gov.uk/downloads/file/7993/part_3_a1-terms_of_reference_schedule</p> <p>Decision making reports are cleared by or on behalf of the Monitoring Officer.</p>	HP&JT/J F	JF – 10 June	
10.8	<p>Develop protocols to ensure effective communication and clear understanding between</p>	<p>Member/officer protocol</p>	<p>Code of Conduct and the Protocol on Councillor-Officer Relations set out in Part 5 of the Council's Constitution.</p>	HP/JF	JF – 10 June	

	The local code should reflect the requirements for local authorities to: members and officers in their respective roles	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
10.9	Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process including an effective remuneration panel (if applicable)	Pay and conditions policies and practices	<p>Leadership Group (informal meeting of cabinet and CSB) Relationship between Portfolio Holder and chief officer</p> <p>The council salary scales are set nationally – local application is by a Single Status agreement for jobs below Chief Officer status. For Chief Officers, local application of grades is determined by the Divisional Director of HRD in consultation</p> <p>The single status agreement is found on the intranet at: http://harrowhub/downloads/file/554/single_status</p>	JT/LC	LC 27.6.11	
			<p>Job evaluation is carried out by HRD, UNISON and GMB for jobs on grades H1 to H11; job evaluation is carried out by a Panel of HR Advisers and independently validated by the Organisational Development Manager for grades above H11. Details of the job evaluation procedures are available on the intranet: http://harrowhub/info/200138/rewards_and_payments/312/gjpc_job_evaluation</p> <p>Allowances for Members are published on the Council's intranet at: http://www.harrow.gov.uk/downloads/file/8192/members_allowances_leaflet_2010-11</p>			

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
10.10	When working in partnership ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority	<p>Protocols for partnership working. For each partnership there is:</p> <p>clarity of each partner's role within the partnership</p> <p>definition of roles of partnership board members</p> <p>line management responsibilities for staff who support the partnership</p> <p>a statement of funding sources for joint projects and clear accountability for proper financial administration</p> <p>a protocol for dispute resolution within the partnership</p> <p>(NB from special report 'Local Partnerships and Citizen Redress by LGO)</p> <p>(See also <i>appendix B1 & B2 of this rough guide – Partnerships suggested approach and determination</i>)</p>	<p>There are clear 'governance' arrangements in place for significant partnerships. For example, the Constitution for the Harrow Strategic Partnership (updated in July 2011) and relevant Capita (Business Transformation Partnership) contract schedules are attached.. The roles and structure of the Partnership bodies have been revised to recognise the abolition of LAAs and to focus more on outcomes. See report to Partnership Board July 2011</p> <p>Also see report to Harrow Chief Executive's re Improvement Planning, also 25 September 2009.</p> <p>Also the Property & Infrastructure governance structures, terms of reference and disputes processes are included reference the Kiers and Enterprise Mouchel strategic partnerships</p>	TW(MH)/LD	LD 6/7/11	
10.11	When working in partnership: - ensure that there is clarity about the legal status of the partnership - ensure that representatives or organisations both understand and make clear		The constitution of Harrow Strategic Partnership makes clear the limits on collective decision making and the when there is a need for partner organisational endorsement.	TW (MH)/LD	LD 6/7/11	

The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
to all other partners the extent of their authority to bind their organisation to partner decisions.					

Applying the CIPFA/SOLACE Core Principles

Step 3 – Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
11.1 Ensure that the authority's leadership sets a tone for the organisation by creating a climate of legitimacy, openness, support, respect and accountability.	Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour	Code of conduct and standards committee New Council values agreed by Cabinet in September 2008 – developed through workshops with members, senior managers, managers and staff as well as with the unions and self-organised groups. They are on the intranet at the following link: http://harrowhub.harrow.gov.uk/info/200139/workforce-plan-and-organisational-development/260/create-the-councils-values Create values are well known to staff and promoted by the council's leadership.	JT/LC	LC 27/6/11	
11.2 Put in place arrangements to ensure that members and employees of the authority are		The Council's Constitution refers, particularly section on Member and Officer Codes of Conduct, Planning Protocol, Contract and Financial procedure rules. Register on interests is maintained for Members which is available on the intranet. A register of gifts and hospitality	HP/JF	JF – 10 June	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice		<p>is also maintained and is available or inspection. Officers Register of Interest which includes gifts and hospitality is maintained by the Corporate Directors and is available for inspection.</p> <p>Under the Localism Bill, the Council will no longer need a standards committee. A working group has been set up to decide: 1) if we need a standards committee; 2) code of conduct; and 3) what to do about breaches of the code if it is decided to retain one. Under the Localism Bill we still have to uphold high standards but the Bill does not provide for a mechanism for breaches except in the very serious cases where it will be a criminal offence not to declare an interest.</p>			

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
11.3	Put in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice	standing orders codes of conduct financial regulations	<p>Contract Procedure Rules (see 3.2), Financial Regulations (see 3.1), Employee Code of Conduct and Members Code of Conduct all in place,</p> <p>Responsibility for monitoring these arrangements rests with management (except Members Code).</p> <p>Continuing effectiveness monitored via IPADs linked to CREATE framework + code of conduct.</p>	JA/SD	CC 13/6/11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
11.4	Develop and maintain an effective standards committee with a suitable profile and publicise its role and objectives and relevant outcomes to members of the public, all staff, stakeholders and Members.	Codes of conduct Terms of Reference Minutes of Meetings	<p>Terms of Reference for the Standards Committee and its Sub-Committees are contained in the Constitution. The Standards Committee has 4 scheduled meetings and special meetings will be arranged when necessary. Dates of meeting can be found in the Committee Calendar and Corporate Calendar available on the intranet. The Sub-Committees meet as and when necessary.</p> <p>A Standards Committee has been developed however this does not currently have a suitable profile and its role and objectives and relevant outcomes are not publicised to the public, staff, stakeholders and members.</p> <p>Under the Localism Bill, the Council will no longer be required to have a standards committee. The effective date is likely to be around April 2012. A working group has been set up to decide: 1) if we need a standards committee; 2) code of conduct; and 3) what to do about breaches of the code if it is decided to retain one. Under the Localism Bill we still have to uphold high standards but the Bill does not provide for a mechanism for breaches except in the very serious cases where it will be a criminal offence not to declare an interest.</p>	HP/JF	JF – 10 June	
11.5	In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and	terms of reference regular reporting to the authority	Attached document at 10.12 on the Harrow Strategic Partnership refers at Appendix B to adopting the Nolan principles	TW(MH)/ LC		

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	collectively.					

Applying the CIPFA/SOLACE Core Principles

Step 4 – Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
12.1	Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the organisation's performance overall and of any organisation for which it is responsible.		<p>The scrutiny function comprises an overview and scrutiny committee, a performance and finance sub committee, a health and social care sub committee and lead scrutiny councillors for adult health and social care, children and young people, safer and stronger communities, sustainable development and enterprise and corporate effectiveness.</p> <p>The function is driven by the need to hold the council and our partners to account for their performance and the establishment of the performance and finance sub committee as the driver of scrutiny is a key component in ensuring that the function is focused on the issues of the greatest importance to the council. The lead members ensure that expertise to tackle particular areas of service delivery is maintained.</p> <p>The structure is subject to regular review and is supported by meeting of the scrutiny leadership group, comprising the leads and the chairs and vice chairs of the committees, which considers agenda and review programmes, provides strategic direction for the function and overall co-ordination between the leads and committees</p>	TW/LD	LD 6/7/11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
12.2	Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based that is clear and transparent to members of the public, all staff, stakeholders and Members.		Procedural Rules contained in the Constitution require the Chair of each meeting to sign the minutes of the previous meeting. A Democratic Services officer who attends all meetings of the council will record the minutes of the meeting. Article 13 of the Constitution sets out the principles of decision making of all decisions of the council. Decisions (minutes) are published on the intranet and internet. Minutes are retained for 6 years. Minutes available on intranet/internet and paper copies available from libraries.	HP/JF	JF-10 June	
12.3	Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice	Scrutiny is supported by robust evidence and data analysis	The Member and Officer Code of Conduct which is in Part 5 of the Council's constitution refers (please see note 3.5a) A register is also maintained of interest registered by members (which is open to public inspection) and Officers which is available for inspection by Senior officers Corporate Directors communicate to their staff information on requirements on them to declare any conflicts of interest annually.	HP&JT/J F	JF – 10 June	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
12.4	Develop and maintain an effective audit committee (or equivalent) which is independent or make other appropriate arrangements for the discharge of the functions of such a committee	decision making protocols record of decisions and supporting materials	GARM – expanded terms of reference (see 2.2) and membership (see minutes), training and development for members. Decisions recorded in minutes + supporting material presented	DW/SD	CC 13/6/11	
12.5	Ensure that those making decisions whether for the authority or partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.	terms of reference membership training for committee members	Committee report template and process leading up to committees (DMT, CSB, clearance with legal, finance and performance etc) included in the attached link: http://harrowhub.harrow.gov.uk/info/200209/members_and_committees/293/report_writing_for_council_cabinet_other_committeespanels_and_portfolio_holders/4 Key Performance Indicators	JT&HP& DW&MH/ LC	JF – 10 June	

	The local code should reflect the requirements for local authorities to:	Source practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
12.6	Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	complaints procedure members' induction scheme training for committee chairs record of decision making and supporting materials	All reports are cleared by or on behalf of the Monitoring Officer and the Chief Finance Officer. Some training is done with members and officers from the Legal Department. Lawyers are engaged in the preparation of reports on planning matters and attend the initial briefings with members to ensure any concerns are addressed before Committee meetings.	HP&JA& JT/JF	JF – 10 June	
12.7	Ensure that risk management is embedded into the culture of the organisation , with members and managers at all levels recognising that risk management is part of their job	risk management protocol financial standards and regulations	Embeddedness of risk management (see 2.10) Harrow's Financial regulations – risk management section (see 2.5 and 3.1) Risk Management Strategy outlines risk management roles and responsibilities for all Members, managers and officers, including partners (see 2. 1) Risk management training (see 2.6)	DW/NB	NB 10.06.11	

Applying the CIPFA/SOLACE Core Principles

Step 5 - Developing the capacity and capability of members and officers to be effective

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
13.1	Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis	training and development plan induction programme update courses/information	Information on induction sessions and Member Development Programme is referenced at 1.18. See 13.3 for other development	JT/LC	LC 29.6.11	
13.2	Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation	Job description /personal specifications membership of top management team	Protocol to support S151 and monitoring officer roles All 4 statutory officers report directly to the CE Experienced people in post Roles well understood by members	JT/LC	LC 29.6.11	
13.3	Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively and record and evaluate these.	Training development plan	Member development programme – see referenced at 1.18 Regular reports are provided to the Member Development Panel evaluating any development provided and including options for future development: http://modern.gov:8080/ieListDocuments.aspx?CId=286&MId=60306&Ver=4 Leadership programme and Management Development Programme (referenced at 1.13 and 1.19) – these will continue to be designed to reflect the Council's values and to meet appropriate ethical standards. A Corporate Leadership Development programme commenced in 2010 and concluded in May 2011. This was delivered by the Office for Public Management. Evaluation of these events have been made. Directorate Learning and Development Plans are established through Workforce Strategy Groups and ensure the 'golden thread' between Council vision and objectives, through to Service Planning and individual	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
			<p>objectives for staff.</p> <p>The Corporate training programme for staff is published annually – for 2010/11, no brochure was produced but information circulated regularly through Communications Newsletters to staff.</p> <p>E-learning available to all through intranet and is being extended in 2010/11 to cover a broader range of subjects, e.g. risk: http://harrowhub.info/200210/courses/qualifications_and_events/301/harrow_e-learning_zone/1</p> <p>Coursebooker, a new online system was launched in April 2010 which allows staff to view all corporate courses, and from November 2010, was available for on-line booking by staff.</p> <p>Learning and Development Strategy and Planning framework agreed August 2009: http://harrowhub.harrow.gov.uk/info/200131/learning_and_development/361/learning_and_development_framework_and_strategy</p>			
13.4	Develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed	training and development plan reflect requirements of a modern councillor including: the ability to scrutinise and challenge the ability to recognise when outside advice is required advice on how to act as an ambassador for the community leadership and influencing skills	<p>The Member Development Programme continued through 2010.11. Details of development are on the council's intranet at: http://harrowhub.harrow.gov.uk/info/200248/member_development</p> <p>Changes were made in 2010/11 to the design and delivery of Member Development – HRD will continue to be responsible for the professional development of the Programme and Democratic Services to it's delivery.</p> <p>A report is being presented to the Member Development Panel, the first under the new administration, in September 2010 on the programme for 2010/11 and beyond:</p>	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
13.6	<p>There are reduced or managed skill and capacity gaps, with effective approaches to recruitment, for example e-recruitment or targeted recruitment aimed at under-represented groups, and the council proactively markets itself as an employer of choice. The council fully utilises and promotes its talent through a talent management approach and undertakes effective succession planning. Performance management arrangements reflect priorities and have a strong customer and community focus to support new patterns of service delivery. The council recognises and rewards high performance of teams and individuals.</p>	<p>Data and analysis underpinning workforce strategies and plans, for example, analysis of the future demand for services, population change, the workforce profile, skills profile, forecast needs, and gaps.</p> <ul style="list-style-type: none"> • Examples of benchmarking and business improvement activity to improve workforce productivity. • Examples of organisational change, including views of staff impacted by change. • People management policies, for example, diversity and equality employment policy, misconduct, grievance, bullying and harassment, mediation, well-being, health and safety, code of conduct and sickness 	<p>http://modern.gov:8080/ie/ListDocuments.aspx?CId=286&MIId=60303&Ver=4</p> <p>E-learning is available to all Members using the Learning Pool services at the following link: http://harrowhub.info/200248/member_development/582/e-learning</p>	JT/LC	LC 29.6.11	
			<p>The Council entered a period of significantly reduced recruitment activity (reduction in the number of appointments to Directorates by 75% between 2008/09 and 2010/11) and commenced a period of reducing the size of the workforce. The majority of recruitment advertising is on-line.</p> <p>In completing the first Workforce assessment for the Comprehensive Area Assessment in March 2010, there were a range of examples where the council had demonstrated improvements against the range of requirements here. This is included in the evidence table. Although the CAA was abandoned before concluding for Harrow, informally we had been advised that the council met level 3 out of 4 in its requirements.</p> <p>The Better Deal for Residents transformation programme regularly provides updates to staff on the programme and e-mail updates are regularly provided.: http://harrowhub.harrow.gov.uk/info/200222/better_deal_for_residents</p> <p>Staff views are periodically gathered through a staff survey. The last full survey was carried out in late 2009 and an interim in March 2011. For 2009: http://harrowhub.harrow.gov.uk/info/200134/employee_relations/247/staff_surveys For 2011:</p>			

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
		absence.	<p>http://harrowhub.harrow.gov.uk/info/200140/wellbeing_and_benefits/604/interim_staff_survey_2011</p> <p>The Council has a wide range of employment policies: http://harrowhub/info/200128/working_for_harrow</p>			
13.7	<p>The council invests in the health, safety and well-being of its workforce and there is evidence of successful well-being initiatives which are optimising health outcomes and productivity through improved attendance rates. The council reviews staff costs in high spending areas by benchmarking against other organisations, or by using business process improvement approaches to identify potential areas for efficiency savings and increased productivity, working with local partners as appropriate. The council can demonstrate how its productive and skilled workforce is benefiting the community, for example how well staff identify and implement efficiencies and innovations, backed by a strong improvement culture.</p>	<p>Investors in People assessment.</p> <ul style="list-style-type: none"> Evidence of assessment against the Equality Framework for Local Government. Self-assessment of progress against the Children's Workforce Development Strategy submitted to the Children's Workforce Development Council. Performance management approach. Key indicators about people management, for example staff satisfaction, staff turnover, sickness absence, grievances, employment tribunals, accidents, workforce diversity, staff feedback on workforce diversity and agency staff costs. 	<p>The Council has had a Well-being Plan for staff for the last two years. This is accessible to all staff via the intranet at the following link. The plan continued it's delivery into 2010/11: http://harrowhub/info/200140/wellbeing_and_benefits/371/harrow_council_staff_wellbeing_plan_200910</p> <p>A refreshed Well-being Plan is being developed for 2011 and beyond.</p> <p>Staff Benefits Fairs and Health Fairs, together with other health related promotional events are featured throughout the year. The staff benefits brochure is produced annually.</p> <p>The staff survey carried out (fully on a bi-annual basis and partially, in the intervening years) continues to show staff interest in staff benefits and wellbeing initiatives. Employee engagement levels are rising indicating greater satisfaction with the Council as their employer and in people management practices. The last full staff survey was carried out in November 2009 and is accessible on the intranet at: http://harrowhub.harrow.gov.uk/info/200134/employee_relations/247/staff_surveys</p> <p>The March 2011 interim staff survey results are on the intranet at: http://harrowhub.harrow.gov.uk/info/200140/wellbeing_and_benefits/604/interim_staff_survey_2011</p> <p>Key indicators about people management are reported on a quarterly basis to Improvement Boards.</p>	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
13.8	Workforce planning is integrated with service planning and shows how the council will deliver its strategic objectives. The council bases workforce plans on fit-for-purpose information. Plans set out current staffing, and identify what staff are needed over the next three to five years, and how they intend to get them. The council can demonstrate that it monitors and manages agency staff costs.		<p>Workforce considerations were included in the Corporate Director Service & Budget Planning templates for 2009/10. However, these have been expanded for 2010/11 year.</p> <p>Further work on embedding workforce planning with an emphasis on change management and delivering services with less, is included in the People Module of the Management Development Programme which commenced in late 2010 and will conclude in late 2011: http://harrowhub/info/200247/management_leadership/633/mdpp</p> <p>Workforce Strategies and Action Plans were developed by each Directorate in 2009/10 and a Council Strategy for People approved by Cabinet in February 2010. The strategy is in the evidence file.:</p> <p>Officers closely monitor (in Procurement and HRD) agency worker costs, and information on this is reported to Improvement Boards on a quarterly basis</p>	JT/LC	LC 29.6.11	
13.9	The council takes a corporate approach to workforce planning. This reflects strategic priorities and objectives, and supports the delivery of services. It aligns closely with strategic planning and is designed to deliver improvements in efficiency, productivity and value for money against local priorities.		See 13.8	JT/LC	LC 29.6.11	
13.10	Strategic workforce planning addresses current, and future,		See 13.8 The views of staff are captured in the staff survey – see	JT/LC		

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	workforce needs for people and skills, and is underpinned by fit-for-purpose information on demand for services, workforce size and profile, and systematic collection of the views of staff.		13.7.			
13.11	Joint workforce planning is delivering benefits, for example reduced costs, more integrated services, increased capacity and reduced unproductive competition between public sector bodies in an area for scarce skills, for example there is joint working across local partners to improve safeguarding arrangements for vulnerable children and young people. The council is taking action to ensure it has a positive and appropriate brand as an employer in the context of the local labour market, for example to attract under-represented groups.		<p>There is an integrated Children's Workforce Strategy and joint induction arrangements for those working with children across local partners.</p> <p>No further progress was made on this in 2010/11. The challenges are that the public sector is meeting the challenge presented by cost-reductions which results in organisations focussing on the immediate future rather than longer term.</p>	JT/LC	LC 29.6.11	<p>GAP: Does not exist to any significant extent in other Directorates. This has been identified in the Strategy for People 2010-12 as an action for 2011.</p> <p>CGG agreed gap 09/08/11 – no need for further action</p>
13.12	Senior management manages and supports organisational change effectively while involving the workforce in the process. Senior		The Council's Protocol for Managing Organisational Change sets out the process in managing organisational change and is accessible on the intranet at the following link. In additional Organisational Standards regarding Spans of Control and further guidance on managing change is included.:	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>management shows commitment to engaging staff in the process of change and minimising the impact of change by being sensitive to the organisational culture. The council plans communications with staff and they are effective in ensuring two-way discussions. The council also monitors staff satisfaction and morale through process of change and supports staff through mechanisms such as employee assistance programmes. The council consults with staff, trade unions and other staff representative groups and actively involves them in managing change and reports positively on their involvement. Post-implementation reviews include monitoring and evaluation of the impact of change on staff.</p>		<p>http://harrowhub.info/200135/managing_change/164/mana ging_change_suite</p> <p>The Better Deal for Residents programme, with senior manager Sponsors, has dedicated HRD and Communications support to ensure that employee considerations and stakeholder messaging is made. A Change Management Strategy has been agreed for the Programme in consultation with Unison and GMB together with a set of Engagement Principles to ensure timely consultation. A Trade Union forum for the programme was established in 2009/10 and agreed notes of the meetings are accessible via the intranet under each project.: http://harrowhub.harrow.gov.uk/info/200222/better_deal_for_residents</p> <p>Consultation with trade unions takes place monthly at the Corporate Joint Committee on corporate issues and Directorate Joint Committees meet regularly to consider Directorate specific issues.</p> <p>The Council has an Employee Consultative Forum of Members and the Trades Unions meets quarterly</p>			
13.13	<p>The council has a systematic and planned approach to managing the workforce implications of organisational change. The council fully involves staff in the implementation of change</p>		<p>See 13.12</p> <p>Reviews of the learning points from major change programmes are made at their conclusion</p>	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>and empowers them to help deliver it. The council maintains, or improves, staff satisfaction and morale through the periods of change and trains line managers to deal with change management issues and develop specialist change management skills. The council uses various methods for communication with staff on change management issues, for example staff briefings, surgeries and focus groups, and evaluates the effectiveness of its approach to these. There is effective partnership working between trade unions and other staff representative groups, including joint communication strategies. Post-implementation reviews assess the benefits of change against clearly defined success criteria and the council learns from the results</p>					
13.14	<p>The council has established and maintained policies and practices, including</p>		<p>The Council has well-established employment policies and procedures which are regularly maintained to ensure compliance with legislation which are accessible via the intranet at:</p>	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	<p>diversity practices, to support good people management and to ensure compliance with equalities legislation and duties. The council trains and supports managers to implement the policies and practices consistently. The council has adopted the new Equality Framework for local government (from April 2009) and is performing at level 1 (developing). The council is working towards building a workforce that is more representative of the community it serves. The council has completed its Local Pay Review and is on track to implement its agreed local pay structure</p>		<p>http://harrowhub/info/200128/working_for_harrow</p> <p>A process of converting these to toolkits for managers concluded in December 2009 with the launch of the first of these, Capability Procedure, in January 2010 and two others in April 2010. Further roll-out of the toolkits has been delayed due to challenges in reaching agreement with the unions on the approach.</p> <p>http://harrowhub/info/200134/employee_relations/77/a-z_employment_policies_and_procedures</p> <p>Managers are informed of any change through e-mail. Briefings to managers on any significant change to employment policy and procedure is made by HRD.</p> <p>CSB agreed in 2010/11 to working to achieve Excellent status under the Equality Framework by 2012.</p> <p>The Local Pay Review (single status) was completed in 2004/05. The Single Status Agreement is accessible via the intranet at: http://harrowhub/downloads/file/554/single_status</p>			
13.16	<p>There are high levels of staff satisfaction, including across different groups in the workforce, and good retention levels, particularly in priority areas and where there are skills shortages. The council is considering introducing a total rewards approach to attract, retain and reward staff. This includes developing opportunities</p>		<p>Staff survey details are included at 13.6. The survey for late 2009 showed 86% improvement in the perceptions of staff to specific questions, 30% of these significantly. The staff survey for March 2011 maintained that position despite the extent of change currently and expected.</p> <p>Turnover has increased from 9.6% at 31/3/10 to 11.1% at 31/3/11. This is not high and reflects the Voluntary Severance Scheme in place and other change initiatives which impact on employee numbers. Turnover and other workforce data is reported to Improvement Boards quarterly.</p> <p>Consideration was given to introducing a Total Reward</p>	JT/LC	LC 29.6.11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
	for flexible working arrangements to support staff through key life events.		<p>approach to rewards and is an action in the Council's People Strategy for 2010-12. In part this has been overtaken by the Modernising Terms and Conditions of Employment project which commenced in March 2011, although, as far as possible, a Total Rewards approach will be considered. This started with the introduction of the Staff Benefits brochure the core, voluntary and flexible benefits available to them.</p> <p>The Staff Benefits brochure is included in the Evidence file</p> <p>There are no significant skills shortages. However, this can change rapidly, e.g. in children's social work, and is monitored by Directorate Workforce Strategy Groups.</p> <p>Flexible working options are well established and referenced in the Staff Benefits brochure.</p>			
13.17	Ensure that effective arrangements are in place for reviewing the performance of the authority as a whole and of individual members and agreeing an action plan which might for example aim to address any training or development needs	performance management system	<p>Harrow has a defined performance management framework. The framework is available in the evidence file (</p> <p>As part of Cabinet Development two sessions on performance management were held in 2009/10.</p> <p>A Member Development Programme has been in operation during 2007 (review available at http://modern.gov:8080/ie/ListDocuments.aspx?Cid=286&Mid=3794&Ver=4&J=3) and activities have been taking place in 2008 which included a pilot Member Coaching Programme with Roffey Park. A refreshed Programme is being considered by the Member Development Panel on 2 July 2008. The report and programme are available at: http://modern.gov:8080/Published/C00000286/M000004344/A100045102/\$ReportforMemberDevelopmentPanel2ndJuly08_v1.docA.ps.pdf</p>	TW&JT/L D	LD 6/7/11	
13.18	Ensure that effective arrangements designed to encourage individuals from all sections of the	strategic partnership framework stakeholders forums' terms of reference area forums'	The Service Planning, Performance and Budgeting Framework provides for the establishment of service user groups to enable participation.	TW(MH)/ LD	LD 6/7/11	

	The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
13.19	<p>community to engage with, contribute to and participate in the work of the authority.</p> <p>Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users including a feedback mechanism for those consultees to demonstrate what has changed as a result</p> <p>These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands.</p> <p>Ensure that career structures are in place for members and officers to encourage participation and development</p>	<p>roles and responsibilities residents panel structure communication strategy</p>	<p>The Council's Residents' Panel provides for more structured engagement.</p> <p>Harrow Strategic Partnership included representatives of stakeholder groups on its thematic management groups that were charged with delivering the Local Area Agreement and other partnership targets. Harrow Strategic Partnership continues to include two reference groups providing the views and priorities of, in one case, Older People and in the other, the Voluntary and Community Sector.</p> <p>In addition, a co-ordinated approach to consultation has been adopted to ensure that public opinion is taken into account in the development of policy and to inform decisions. Feedback on the outcomes of consultation and the decisions taken is also provided. Evidence Interim Place Survey, Residents Panel, Consultation Finder Evidence – Service Planning, Performance and Budgeting Framework (1.6) CSB Report establishing the Residents' Panel, Portfolio Holders decision see above. Membership of HSP Management Groups and Reference Groups. – available on the website at http://www.harrow.gov.uk/info/200009/performance/996/structure_and_function_of_the_hsp</p> <p>A member development programme is referenced at 1.18</p> <p>There is no career-planning programme in place at the officer level although this is reflected in the Strategy for People 2010-12 action plan.</p>	JT /LC	LC 29.6.11	<p>GAP 2010/11</p> <p>CGG agreed gap 09/08/11 – no need for further action</p>

Applying the CIPFA/SOLACE Core Principles

Step 6 – Engaging with local people and other stakeholders to ensure robust public accountability

	The local code should reflect the requirements to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
14.1	Make clear to themselves, all staff and the community, to whom they are accountable and for what	community strategy	<p>The Council is accountable to the public through the electoral process, to Harrow Strategic Partnership for delivery of the targets its accepts; to the audit commission and specific inspectorates for its performance and to a number of other official bodies ranging from the Health and Safety Executive to Registrar General for specific areas of activity. Members are made aware of these accountabilities when pertinent and staff are aware of accountabilities that touch on their duties. The Council devises a set of Priority Actions for each edition of the Corporate Plan that are understandable examples of what the corporate priorities mean in practice and publish these and the extent to which they are achieved each year to illustrate local and public accountability</p> <p>An A-Z of Council Services, a Council Tax book and Harrow People available to residents + published set of accounts including AGS.</p>	TW(MH)/L D	LD 6/7/11	

	The local code should reflect the requirements to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
14.2	Consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required	Harrow Compact?	The Council was, as stated in 14.1 above, accountable to Harrow Strategic Partnership for the delivery of elements of the Local Area Agreement. Performance reports were submitted regularly. Formal relations have been reviewed and are continuing to develop. Evidence Governance Handbook adopted. Renewed structure paper July 2011. The Harrow Compact which describes and regulates relations between the public and voluntary and community sectors has been substantially updated together 4 of the 5 codes which it supports. Work is underway updating the fifth code and a Compact Organisation is being established to champion the Compact. Complaints made that the Compact is not followed are carefully investigated and reported with, usually, a satisfactory resolution. Compact updated – copies of updated codes provided and examples of Compact investigations. Draft of Funding and Procurement Code.	TW(MH)/L D	LD 6/7/11	
14.3	Produce an annual report on scrutiny function activity	annual report	The 2010/11 report is available online at http://www.harrow.gov.uk/downloads/file/9656/scrutiny_annual_report_2010-11	AD(LM)/L D	LD 6/7/11	
14.4	Ensure that clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively	community strategy processes for dealing with competing demands within the community	Harrow Strategic Partnership developed the Sustainable Community Strategy and the Local Area Agreement through a process that involved a summit for local groups and individuals to scope the documents and involvement of stakeholders through thematic management groups to refine the content. The Sustainable Community Strategy was the subject of public consultation. Evidence – See agenda and invite list for summit meetings and Consultation Feedback document.	TW(MH)/L D	LD 6/7/11	

	The local code should reflect the requirements to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
14.5	Hold meetings in public unless there are good reasons for confidentiality and widely publicise the fact to improve accessibility.		<p>Access to information rules – Part 4g of the Constitution</p> <p>Meetings are held in public and the agenda and minutes are published.</p> <p>Exploring the possibility of putting a statement on Harrow's website to have meetings in public.</p>	HP/JF	JF – 10 June	

	The local code should reflect the requirements to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/Sponsor	Evidence updated (date & initials)	Gap Identified
14.6	Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so and this is done in a way that the community can access and make sense of.	constitution	<p>Access to Services Inspection</p> <p>Petition under constitution</p> <p>Consultation & call in procedure</p> <p>Questions at meetings</p> <p>Cabinet Question Time</p> <p>Scrutiny Function</p> <p>Cllr Complaints Procedure</p> <p>Cllr Question Time</p> <p>Budget Consultation</p> <p>Evidence: Constitution as before</p> <p>Public ability to complain about councillors. (Article 3 of the Constitution sets out what citizens can expect from the Council)</p>	HP/JF	JF – 10 June	

	The local code should reflect the requirements to:	Source documents/good practice/other means that may be used to demonstrate compliance	Harrow Evidence:	Owner/ Sponsor	Evidence updated (date & initials)	Gap Identified
14.7	Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.	constitution	<p>This is reflected in the Constitution. The terms of reference for the Employee Consultative Forum, Corporate and Directorate Joint Committees are on the intranet at the following links:</p> <p>ECF: http://harrowhub/info/200134/employee_relations/155/ecf_terms_of_reference</p> <p>CJC: http://harrowhub/info/200134/employee_relations/152/cjc_terms_of_reference</p> <p>DJC: http://harrowhub/info/200134/employee_relations/153/djc_terms_of_reference</p> <p>The Recognition Agreements for UNISON and GMB are on the council's intranet at the following link: http://harrowhub/downloads/download/299/recognition_agreements</p>	JT&HP/L C	LC 29.6.11	

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2009/10 AGS Action Plan – Update July 2011

Appendix 4

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale	Updated June 2011
1.7 c/f 08/0 9	Objectives are reflected in departmental plans and are clearly matched with associated budgets	<p>Delivery Plans are not developed for all areas of the council's services, so it is not possible to determine whether these reflect corporate objectives and match approved funding.</p> <p>Where Delivery Plans are developed (not all areas) these too contain prior year PI outturn and a section reporting progress with prior year projects.</p> <p>Whilst there is an intention to address this gap, a plan is not yet in evidence.</p>	Internal Audit Delivery Plan review to identify gaps and action to be taken accordingly.	All CLG members/IW/LD	March 2011	<p>Not implemented</p> <p>This review was not undertaken as higher risks were addressed as part of the annual plan</p> <p>GAP 2010/11</p>
2.5 c/f 08/0 9	The authority has well-established and clear arrangements for financing risk.	<p>No specific policy in place for risk financing therefore not regularly reviewed in the light of costs and alternative risk mitigation strategies.</p> <p>Monitoring of incidence of successful and unsuccessful claims is not fed into the policy for risk financing (or risk management)</p>	<p>New Insurance Manager to explore whether a specific risk financing policy is required.</p> <p>To continue to explore if/how incidence of successful and unsuccessful claims can be fed into the policy for risk financing (if it is decided one is needed) or into the risk management system.</p>	DW/KV DW/KV	<p>March 2011</p> <p>March 2011</p>	<p>Implemented</p> <p>LEAN review improved claims processes to ensure risk financing is appropriate and prudent.</p>
2.9 c/f 08/0 9	Managers are accountable for managing their risks.	Control and risk self-assessment (CRSA) questionnaires are not used.	Use of Self Assessments to enhance accountability to be considered by the newly reformed CRSG.	TJ	Dec 2010	<p>Implemented</p> <p>Paper on CRSA presented to Oct 2010 CRSG meeting and agreed that CRSA not required to provide additional assurance.</p>
3.4						Overall partially

2009/10 AGS Action Plan – Update July 2011

Appendix 4

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale	Updated June 2011
c/f 08/09	There is a counter fraud and corruption policy in place which has been formally approved, regularly reviewed and widely communicated to all relevant staff.	Policy accessible on internet site but only via search facility on intranet (CAFT have no specific pages). No awareness sessions etc. are run.	Consideration to be given as part of the 2009/10 fraud plan to enhancing intranet to enable policy to be more accessible to staff. Corporate fraud awareness e-learning tool given go ahead to purchase, planned implementation for 3 rd quarter and phased roll out for 4 th quarter 2009/10	JP	March 2011	implemented Not implemented
		CAFT do not currently formally report identified frauds or results of NFI internally. New GARM Lead Member for CAFT has been established to progress this and CAFT now reporting to Head of A & R	To establish with GARM committee frequency and content of required reports.	JP/DW	Dec 2010	Reporting to GARM at each meeting re performance NFI will be part of this where relevant
		Register of gifts and hospitality is not reviewed from a fraud perspective.	To include in 10/11 plan – considered but not high risk enough to make plan.	JP	March 2011	Not Implemented – not considered high risk GAP 2010/11
OGF7 c/f	Making sure that an effective risk management system is in operation	Business Continuity/IT Disaster recovery	Head of IT working with Divisional Directors to establish IT availability requirements for disaster recovery.	Mahesh Patel	Oct 2010	Not implemented Not in place for 2010/11. Will be complete by April 2012. GAP 2010/11
OGF8 c/f	Making sure that an effective risk management system is in	Health & Safety	Review Health & Safety function - Consultation Pack issued 14/07/09.	DW/Mark Riordon	August 2010	Partially Implemented

2009/10 AGS Action Plan – Update July 2011

Appendix 4

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale	Updated June 2011
	operation		Considered by cabinet 15/07/10. CAPITA working on full business case proposal.			The Capita review is complete and discounted. A comprehensive review of H&S has been carried out and a new restructure and improvement plan is commencing. GAP 2010/11
1.45	The Council is narrowing the gap between the current condition of the asset base and an acceptable standard of maintenance, with high levels of backlog maintenance being reduced.	Limited resources available to meet maintenance demands.	To pursue with new Portfolio Holder.	Mike Brown	? Dec 2010	Not implemented There has been no reduction in backlog maintenance due to minimal capital investment. However, future academy opportunities for high schools, will impact on current demands, reducing high levels of maintenance. Therefore no longer a GAP
1.46	Significant investment decisions are evaluated using option appraisal and whole life appraisal techniques.	It is recognised that there is not a consistent approach to option/whole life appraisal across the Council.	This is acknowledged but considered reasonable, therefore no action planned.			

2009/10 AGS Action Plan – Update July 2011

Appendix 4

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale	Updated June 2011
3.3	There is a Whistleblowing policy in place that is regularly reviewed and evidence of the effectiveness of the policy e.g. reports on incidence of usage.	Policy not reviewed since 2007 + no evidence of effectiveness being measured.	Policy to be updated and consideration to be given to how its effectiveness can be measured.	Jon Turner		Implemented Policy has been reviewed with no significant changes. All complaints are reported to and recorded by the Monitoring Officer, who is able to monitor effectiveness. – reports to GARM
3.34	Arrangements for validating information from third parties.	This is the responsibility of the contract owner (manager responsible) and there is no consistent approach.	Paper to CSB to be produced to address gap.	Alex Dewsnap		Not implemented November/December 2011 new timescale GAP 2010/11
3.42	The council engages with its staff and gains their commitment to, and ownership of, the council's approach to reducing its impact on the environment	Although a well publicised Energy Saving Campaign was run in 2008/09 it is recognised that a more pro-active engagement with staff is needed.	To devise a pro-active engagement programme on the council's approach to reducing its impact on the environment.	Andrew Baker		Not implemented Reduced staffing levels and a freeze on recruitment during 2010/11 have meant that it has not been possible to devise a programme. We anticipate recruiting and initiating a programme in the Autumn

2009/10 AGS Action Plan – Update July 2011

Appendix 4

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale	Updated June 2011
11.4	Develop and maintain an effective standards committee with a suitable profile and publicise its role and objectives and relevant outcomes to members of the public, all staff, stakeholders and Members.	A Standards Committee has been developed however this does not currently have a suitable profile and its role and objectives and relevant outcomes are not publicised to the public, staff, stakeholders and members.	Report to be presented to the Standards Committee to address this gap during 2010. Raising the profile of the Committee will involve a series of actions. A report was presented to the last meeting in June 2010 where this issue was raised. The Committee in response adopted a Mission Statement and Objective to address a number of areas including raising its profile.	Hugh Peart		GAP 2010/11 Implemented. Under the Localism Bill, the Council will no longer be required to have a standards committee. The effective date is likely to be around April 2012. A working group has been set up to decide: 1) if we need a standards committee; 2) code of conduct; and 3) what to do about breaches of the code if it is decided to retain one. Under the Localism Bill we still have to uphold high standards but the Bill does not provide for a mechanism for breaches except in the very serious cases where it will be a criminal offence not to declare an interest.
13.11	Joint workforce planning.	Although there is an integrated Children's Workforce Strategy and	This has been identified in the Strategy for People			

AGS Ref	Area of Assurance	Gap Identified	Agreed Action	Responsible Officer	Timescale	Updated June 2011
		joint induction arrangements for those working with children across local partners this does not exist to any significant extent in other Directorates	2010-2012 as an action for 2011 therefore no further action is needed here.			

KEY	
CLG	Corporate Leaders Group
CGG	Corporate Governance Group
CGWG	Corporate Governance Working Group
MB	Myfanwy Barrett – Corporate Director Finance
DW	David Ward – Divisional Director Audit & Risk
TW	Tom Whiting – Assistant Chief Executive
HP	Hugh Peart – Director of Legal & Governance
JT	Jon Turner – Divisional Director HR & Development
CC	Carol Cutler – Director of Business Transformation and Customer Service
SD	Susan Dixon – Service Manager, Internal Audit
IW	Ingrid Waloff – Senior Professional Corporate Planning
GC	George Curran – Interim Head of Legal Practice
LC	Leslie Clarke –HRD Strategy Manager
TJ	Tanya Jacobs – Interim Risk Management Manager
KG	Kan Grover – Senior Professional, Business Continuity & Emergency Planning
MG	Mark Gillett – Divisional Director Commissioning and Partnership
JP	Justin Phillips – Corporate Anti-fraud Service Manager
VD	Varsha Dadlani – Service Manager Procurement
LD	Liz Defries – Service manager Performance and Data Services
SK	Stephen Kelly – Divisional Director Planning
OGF	Old governance Framework

HARROW COUNCIL

CODE OF CORPORATE GOVERNANCE

1. Introduction

Corporate Governance is the system and processes, culture and values by which local authorities are directed and controlled and through which they account to, engage with and, where appropriate lead their communities. Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.

Harrow Council recognises the need for sound corporate governance arrangements and has put in place policies, systems and procedures designed to achieve this (the Governance Framework).

This code is based on the guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) in their publication 'Delivering Good Governance in Local Government' and outlines the Council's approach to Corporate Governance and demonstrates our commitment to uphold the highest standards of integrity, openness and accountability.

The Council's vision is 'Working together: Our Harrow, our community'. The responsibility for achieving this vision rests with members, staff, and partners working together to the same high standards of conduct to enable the local community to have confidence in the way in which we work.

2. Principles

CIPFA and SOLACE have identified six core principles in delivering good governance. We fully embrace and support these principles of good corporate governance and will ensure that they underpin the delivery of our services to the public in the following ways:

2.1 Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

Harrow Council will:

- Develop and promote the authority's purpose and vision
- Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements
- Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties
- Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance
- Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available
- Put in place effective arrangements to identify and deal with failure in service delivery
- Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively.
- Measure the environmental impact of policies, plans and decisions.

2.2 Members and Officers working together to achieve a common purpose with clearly defined functions and roles

Harrow Council will:

- Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into practice
- Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers
- Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required
- Make the chief executive responsible and accountable to the authority for all aspects of operational management
- Develop protocols to ensure that the leader and chief executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained
- Make the Section 151 Officer responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control
- Make the Monitoring Officer responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes, regulations are complied with
- Develop protocols to ensure effective communication between members and officers in their respective roles
- Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process.
- Ensure that effective mechanisms exist to monitor service delivery and that these are clearly described within the Performance Management Framework
- Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated
- When working in partnership ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority
- When working in partnership:
 - ensure that there is clarity about the legal status of the partnership
 - ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions
 - ensure that outcomes are managed through a performance management framework

2.3 Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Harrow Council will:

- Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect
- Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols
- Put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice

- Develop and maintain shared values including leadership values both for the organisation and staff reflecting public expectations and communicate these with members, staff, the community and partners
- Put in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice
- Develop and maintain an effective standards committee.
- Use the organisations' shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority
- In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.
- Promote equality of opportunity as an employer, service provider, procurer of goods and services and as a community leader. Will tackle all forms of discrimination and achieve equality irrespective of ones age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

2.4 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Harrow Council will:

- Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the organisation's performance overall and of any organisation for which we are responsible, and partnerships in which we are involved
- Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based
- Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice
- Develop and maintain an effective audit committee (GARM) which is independent of the executive
- Put in place effective transparent and accessible arrangements for dealing with complaints
- Ensure that those making decisions whether for the authority or partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications
- Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately
- Ensure that risk management is embedded into the culture of the organisation , with members and managers at all levels recognising that risk management is part of their job
- Ensure that arrangements are in place for whistle blowing to which staff and all those contracting with the authority have access
- Actively recognise the limits of lawful activity placed on us by, for example the ultra vires doctrine, but also strive to utilise powers to the full benefit of our communities
- Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law
- Observe all specific legislative requirements placed upon us, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice into our procedures and decision making processes

2.5 Developing the capacity and capability of members and officers to be effective

Harrow Council will:

- Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis
- Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation
- Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively
- Develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed
- Ensure that effective arrangements are in place for reviewing the performance of the authority as a whole and of individual members and agreeing an action plan which might for example aim to address any training or development needs
- Ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority
- Ensure that career structures are in place for members and officers to encourage participation and development

2.6 Engaging with local people and other stakeholders to ensure robust public accountability

Harrow Council will:

- Make clear to ourselves, all staff and the community, to whom we are accountable and for what
- Consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required
- Produce an annual report on scrutiny function activity
- Ensure that clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively
- Hold meetings in public unless there are good reasons for confidentiality
- Ensure arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements will recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands
- Establish a clear policy on the types of issues we will meaningfully consult on or engage with the public and service users including a feedback mechanism for those consultees to demonstrate what has changed as a result
- On an annual basis, publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period
- Ensure that the authority as a whole is open and accessible to the community, service users and our staff and ensure that we have made a commitment to openness and transparency in all our dealings, including partnerships subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so
- Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making

3. Annual Review and Reporting

Each year we (Harrow Council) will carry out a review of our Governance arrangements to ensure compliance with this Code, and the delivery of good governance within the local government framework and current good practice. The purpose of the review will be to provide assurance that governance arrangements are adequate and operating effectively and to identify action required to ensure effective governance in the future.

The outcome of the review will take the form of an Annual Governance Statement prepared on behalf of the Leader at the Council and Chief Executive. It will be submitted to the Governance, Audit and Risk Management (GARM) Committee for consideration and review with the annual accounts to meet the statutory requirement of the Accounts and Audit Regulations 2011. This requires findings of the review of the system of internal control to be considered by a committee of the relevant body, or by members of the body meeting as a whole.

We expect the principles set out in this code to be upheld by our members, staff and partners. We will ensure this happens through effective communication of the Code and a range of policies, systems and processes known collectively as the Governance Framework

We will review this code each year in July/August after the preparation of the Annual Governance Statement.

August 2011

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**REPORT FOR: GOVERNANCE, AUDIT &
RISK MANAGEMENT
COMMITTEE**

Date of Meeting: 6 September 2011

Subject: **Management Assurance Report
2010/11**

Responsible Officer: Tom Whiting, Assistant Chief Executive

Exempt: No

Enclosures: Appendix 1 - 2010/11 Management Assurance
Report
Appendix 2 - 2010/11 Chief Executive's
Corporate Assurance Statement

Section 1 – Summary and Recommendations

This report sets out the results of the 2010/2011 Management Assurance Exercise.

Recommendations:

The Committee is requested to:

Undertake an independent review of the results of the 2010/2011 Management Assurance Exercise and confirm its suitability for use as supporting evidence for the Annual Governance Statement (AGS).

Reason: (For recommendation)

Regulation 4 of the Accounts and Audit Regulations 2011 require councils to produce an Annual Governance Statement. GARM are required to undertake an independent review of evidence used to support the AGS.

Section 2 – Report

Background

- 2.1 Good governance is about doing the right things, in the right way and at the right time. The Council have numerous policies and procedures in place to help staff achieve good governance. The annual Management Assurance exercise is designed to enable senior management to self-assess their governance arrangements i.e. how well staff have implemented the Council's policies and procedures, during the financial year (April – March).
- 2.2 The management assurance process was developed and introduced across the Council in 2005/2006 (the 2004/2005 exercise). This is the seventh year of the exercise.

Management Assurance Process

- 2.3 The management assurance process involves obtaining self-assessed assurance statements supported by documentary evidence from every Director/Divisional Director across the Council. The exercise is co-ordinated and individual statements are 'reality checked' by Internal Audit. The statements are then amalgamated to produce statements for each Directorate signed off by the relevant Corporate Director. These are in turn amalgamated to produce a Corporate Assurance Statement signed off by the Chief Executive. The Corporate Assurance Statement then feeds in to the Annual Governance Statement – Appendix 2.

Assurance Level

- 2.4 When management assurance was introduced the assurance level was set at a pragmatic/realistic 70%. The assurance level indicates the percentage of departments in which the organisation expects any given area of assurance to be working well in. This level of assurance was maintained for the first three years that the exercise was run. This was increased to a more challenging 75% in 2008/9 and was set for the majority of areas at 80% for the 2009/10 year. Contained within last year's exercise there were a number of new 'stretch' areas of assurance that had an assurance level of 50%. This was not a lowering of standards but recognition of the emerging nature of these areas and a realisation that time is needed for managers to embed new requirements. The assurance level for these areas has been raised to match all other areas in this year's exercise i.e. 80%.

Summary of Results

- 2.5 Overall the 2010/11 management assurance exercise confirmed that 77% of the areas of assurance covered by the process are working well across the Council i.e. above the assurance level set of 80% for each area and have been given a green assurance rating. This is a 4% increase on areas given a green assurance rating in 2009/2010 and is a significant achievement given the level of change/transformation that took place during the year. See Appendix 1 for the detailed report.

Annual Governance Statement

- 2.6 The management assurance exercise feeds into the Annual Governance Statement which is published with the Accounts in September each year.

Financial Implications

- 2.7 There are no financial implications.

Risk Management Implications

- 2.8 The work of internal audit supports the management of risks across the council.

Corporate Priorities

- 2.9 The work of Internal Audit contributes to all the corporate priorities by enhancing the robustness of the control environment and governance mechanisms that directly or indirectly support these priorities.

SECTION 3 - Statutory Officer Clearance

Name: Julie Alderson	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 19 August 2011		
Name: Hugh Peart	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 16 August 2011		

Section 4 - Contact Details and Background Papers

Contact: Susan Dixson, Service Manager, Internal Audit,
Tel: 0208 424 1420

Background Papers: None.

If appropriate, does the report include the following considerations?

1.	Consultation	YES / NO
2.	Corporate Priorities	YES / NO

MANAGEMENT ASSURANCE 2010/11**Introduction/Planning**

1. The management assurance process was developed and introduced across the Council in 2005/2006 (the 2004/2005 exercise). The areas of assurance are reviewed and updated annually by Internal Audit using the corporate strategic and operational risk registers to provide a clear link between the controls identified in the risk management process and the assurances being obtained. The exercise is also cross referenced to the Governance Framework via the Annual Governance Evidence table. Additionally officers in key areas such as Risk, Performance, Health and Safety, Business Continuity and Information Management are consulted on the detail of specific assurance areas. Finally the Corporate Governance Group (CGG) review the document, agree the areas of assurance and highlight areas for specific reality testing. For the 2010/11 review the Corporate Governance Group removed a number of areas from the self assessment process where assurance could be obtained elsewhere. This resulted in a 51% reduction in areas contained within the self-assessment process for 2010/11.

Assurance Level

2. Each year an assurance level is set to indicate the percentage of divisions in which the organisation expects any given area of assurance to be working well in. The assurance level for the first three years of the exercise was set at a pragmatic/realistic 70% and increased to a more challenging 75% in 2008/9. This was increased again, for the majority of assurance areas, to 80% for last year's exercise. Contained within last year's exercise there were also a number of new 'stretch' areas of assurance that required an assurance level of 50%. This was not a lowering of standards but a recognition of the emerging nature of these areas and a realisation that time was needed for managers to embed new requirements. The assurance level for these areas has been raised to match all other areas in this year's exercise i.e. 80%.

Reality Checking

3. In previous years 'reality checking' undertaken by Internal Audit has involved managers providing evidence to support all assurance areas. However for the 2009/10 and 2010/11 exercise, a 'light touch' approach was agreed by CGG and although managers are still expected to be able to evidence all areas of assurance, only specific pieces of evidence were requested to be sent to Internal Audit. Nine areas were indicated on the self-assessment document for 2010/11 where evidence was required to be provided to Internal Audit for 'reality checking'.

MANAGEMENT ASSURANCE 2010/11**2010/11 Exercise**

4. To raise the profile of the Management Assurance process the 2010/11 exercise was launched with an email from the Director of Legal & Governance Services which emphasised that the exercise is a requirement of Financial Regulations and is vital in demonstrating that the Council has good governance in place across the Council and in highlighting any governance gaps that need to be addressed (Appendix 1).
5. Self-assessments were issued to all 3rd tier managers for completion for areas under their control (referred to as 'departments') on 27/05/11 for return by 22/06/11. 54% of these were returned by the deadline (as against 31% for 09/10) together with the supporting evidence. A further 38% were received within 2 weeks of the deadline set with the remainder 8%, Children's Services, being received very late by Internal Audit on 22/07/11. In addition the submission from Children's Services did not comply with the requirements of the exercise in that 1 combined assurance statement was provided rather than 6 from the individual 3rd tier managers and 1 from the Corporate Director. Although evidence was provided from all 6 areas within the Directorate 2 of the 3rd tier managers failed to sign off the statement weakening the level assurance that can be taken from the statement – 1 subsequently signed-off the statement after the Corporate sign-off. It should be noted however that Children's Services were undertaking a major re-structuring at the time that the Management Assurance exercise was required.
6. Once received by Internal Audit the self-assessments were reality checked and, as agreed by the Corporate Governance Group, only specific pieces of evidence were checked for the 10/11 exercise to independent sources. As a result of this process and queries raised with compilers of the assessments some changes were made to the assessments prior to being signed off by the relevant Director/Divisional Director/Head of Service. On the whole the results of the clarifications slightly lowered the assurance ratings of the self assessments.
7. Once finalised these statements were amalgamated into a high-level assurance statement for each Directorate. The Directorate Statement along with the supporting self-assessments were presented to the relevant Corporate Director for review and sign off.
8. The agreed Directorate assurance statements were in turn amalgamated into a Corporate Assurance Statement which is weighted to reflect the number of staff in each 'department'. This shows the assurance level achieved for each area in the 2010/2011 exercise and is traffic lighted to indicate changes in the level of assurance compared with the 2009/2010 statement and also traffic lighted to indicate whether areas of assurance fall above or below the 80% assurance levels set. Consequently each area of assurance is double traffic lighted (see Appendix 2 for detailed explanation).
9. The draft Corporate Assurance Statement was presented to the Corporate Governance Group for review on 09/08/11.
10. A meeting was held with the Chief Executive on 08/08/11 with the original intention of presenting the Corporate Assurance Statement for sign-off, however the sign off was SD/SC/MA10/11

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delayed as the Corporate Directors of Children's Services, Adults & Housing and Community & Environment had not signed-off their Directorate Statements by the end of July, in accordance with the timeline set at the beginning of the exercise. Whilst the draft Corporate Assurance Statement was discussed in detail with the Chief Executive at this meeting in preparation for the sign-off this delay had a detrimental impact on the timely completion of the exercise and its incorporation into the Annual Governance Statement.

11. The Directorate Assurance Statements signed off by the Corporate Directors were all finally received by Monday 15/08/11 and the Corporate Assurance Statement was signed-off by the Chief Executive on 17/08/11. The Chief Executive will be raising the issues regarding timeliness of responses with the Corporate Strategy Board (CSB).

2010/11 Overall Results Summary

12. Overall the 10/11 management assurance exercise confirmed that 77% of the areas of assurance covered by the self-assessment process are working well across the Council i.e. above the assurance level set of 80% and have been given a green assurance rating (this includes the areas removed from this year's exercise which were assessed by Internal Audit). This is a 4% increase on areas given a green assurance rating in 2009/2010 and is a significant achievement given the level of change/transformation that took place during the year.
13. This year's exercise highlighted significant improvements in the following areas:
 - 100% assurance was reported regarding risk assessment and management being embedded for major projects, financial planning, etc., which is a 33% increase on last year
 - 100% assurance was reported regarding all key projects being managed in accordance with corporate project management guidelines, a 25% increase on last year
 - A 41% increase in assurance to 94% was identified for Premises Managers being made aware of any relevant Asbestos Management Plan for the building in which they reside
 - A 36% increase in assurance to 97% regarding Service Managers operationally owning the information contained in their systems was reported
 - IA obtained evidence from HR of a 92% completion of IPADS which is a 48% increase over last year
 - IA further confirmed with HR 100% Directorate Workforce Strategies in place, which is a 28% increase over last year
14. The management assurance statements (with the exception of Adults & Housing) all confirmed 100% assurance level regarding compliance with the requirements of the Council's Financial Regulations and Contract Procedure Rules. However, following recent work undertaken by Internal Audit and on information provided by Procurement and the Section 151 Officer, indications are that this may not be fully the case. Work will continue throughout the year to further improve the level of compliance.

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15. For the areas assessed by Internal Audit (i.e. the areas removed from the self-assessment where assurance could be gained elsewhere) there were several areas where the actual percentage across directorates could not be confirmed although they could be confirmed as working well. Similarly, for the areas of assurance covering Health & Safety issues, the assessment was based on information provided by Health & Safety and it was not possible to assess the percentage of compliance across directorates.
16. Areas where low levels of assurance were highlighted were as follows:
- An assurance level of 56% (amber) for service specific schemes of delegation being in place in addition to the corporate Scheme of Delegation (although this is a 9% increase on 2009/10)
 - A 78% assurance level (amber) for all staff assigned to manage premises, including the work of contractors being trained to manage safely which is a 14% lower assurance level than last year
 - A 66% assurance level (amber) for annual risk assessments being undertaken by Information Asset Owners for all 'owned' information assets in accordance with Information Governance guidance which is an increase of 33%
 - Only 41% of assurance (red) was gained for the budget spend on Learning & Development being known and the value obtained from the spend analysed which is a 1% decrease on last year
 - 66% (amber assurance rating) reported that learning logs are maintained for all staff which is an increase of 38% over last year
 - Internal Audit's assessment on information provided by Health & Safety identified a gap regarding monitoring mechanisms for Health & Safety Plans. This issue is being addressed in the 2 year H&S improvement plan and as part of the Management Assurance Action Plan an update on progress against the plan will be provided to Internal Audit in December 2011.
 - Internal Audit's assessment on all new starters and managers attending the Health & Safety induction also highlighted a gap as reported by Health & Safety. This issue is also being addressed in the 2 year H&S improvement plan.
 - Internal Audit's assessment regarding Equality Impact Assessments highlighted a further gap in that there was no agreed programme in place for 2010/11. The Council's Single Equalities Scheme was agreed at Cabinet in December 2010.
 - A gap was identified by Internal Audit in that it is not a corporate requirement to report on whether IPADs have been signed by a 'grandparent' therefore this area of assurance could not be confirmed.

2010/11 Detailed Results – Self Assessed Areas

17. The management assurance exercise has confirmed that the following areas of assurance were working well across the Council i.e. achieving an 80% assurance level during 2010/2011 and have been given a green assurance rating:
- Relevant organisational and service specific legislation is complied with and mechanisms are in place to review procedures in light of legislative change (100%)

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- The division's objectives are clearly communicated to staff and stakeholders (100%)
- Adequate plans/procedures are in place for managing and collecting data for inspections, e.g. VFM Statement, Ofsted, CQC (100%)
- The number and subject content of customer complaints and feedback received by the service is monitored and regularly reviewed by DMT and appropriate responsive action made and recorded (100%)
- Risk assessment & management is embedded within the division for:
 - Major projects
 - Financial planning
 - Major Policies & Legislative Changes
 - Delivery Planning (100%)
- Staff are complying with the requirements of the Council's Financial Regulations and Contract Procedure Rules (100%) – (see para 13 above)
- All key projects are managed in accordance with corporate project management guidelines (100%)
- All workers (f/t, p/t, temporary, agency staff and consultants) have received a copy of the Code of Conduct (97%)
- Service Managers operationally own the information contained in their systems, i.e. they understand what information is held, how it is used and transferred, and who has access to it and why (97%)
- Divisional Directors/Heads of Service are aware of and support relevant officers in their roles as representatives on the Equality Task Group (ETG) (97%)
- Relevant officers are aware of the following strategies/plans/frameworks and are implementing them:
 - Council's Vision for 2010/11
 - Council's Priorities for 2010/11
 - Council Transformation Programme
 - Community Strategy
 - Corporate Consultation Strategy
 - Major Incident Plan
 - Whistleblowing Policy
 - Counter Fraud & Corruption Policy
 - Strategy for People (workforce strategy)
 - CREATE values
 - Health & Safety Policies
 - Code of Conduct
 - Employees Assistance Programme (97%)

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- All data complies with the data quality policy (94%)
 - Premises Managers have made staff aware of any relevant Asbestos Management Plan for the building in which they reside (94%)
 - Where contracts are due to expire in the coming 12 months there is a plan in place to:
 - a) review service arrangements/options e.g. potential partnerships; and
 - b) undertake a tender exercise where appropriate (94%)
 - Where services are jointly provided/funded/managed, robust partnership/governance arrangements are in place which clearly define the terms of the partnership, specifying whose rules and procedures are to be followed and are regularly reviewed (94%)
 - The division has a delivery plan that covers all relevant service areas and clearly reflects the Council's strategic objectives and legal obligations. These are consistent with professional standards and the resources available, and reflect the management of the major service and budget risks (91%)
 - All data collected is verified and is appropriate for a specific use (91%)
 - Information handling and data security comply with the Council's suite of Information Management and Data Security Policies (91%)
 - Services are using benchmarking and other relevant data to ensure VFM is achieved (91%)
 - Workers are reminded regularly of the requirement to make declarations of interest/record gifts & hospitality in the Directorate's register (84%)
18. The Council was working towards/has identified gaps in the following areas of assurance during 2010/11, i.e. received an amber or red assurance rating with the 80% assurance level set. Action plans are in place/are being developed to address weaknesses identified that will be monitored by the Improvement Boards.
- All staff assigned to manage premises, including the work of contractors, have been trained to manage safely (78%). The Corporate Governance Working Group have asked the Corporate Director, Adults & Housing to provide a verbal feedback to the GARM Committee on 06/09/11.
 - An annual risk assessment is undertaken by the Information Asset Owner (Divisional Directors) for all 'owned' information assets in accordance with Information Governance guidance and report to the SIRO (Senior Information Risk Owner), ensuring that information risks are identified, documented and addressed (66%)

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- Budget spend on Learning & Development is known and the value obtained from the spend is analysed (66%)
- In addition to the corporate Scheme of Delegation there is a written directorate/service specific scheme of delegation in place, e.g. to cover HR responsibilities (56%)
- Learning Logs are maintained for all staff (41%)

2010/11 Detailed Results – Internal Audit Assessed Areas

19. 23 areas were taken out of the 2010/11 exercise where assurance could be sought elsewhere. 5 areas were combined with other areas so no further assurance was required. For the remaining 18 areas Internal Audit gained assurance and evidence from other sources to confirm whether the areas were working well or whether gaps were identified. 78% were working well, with the remaining 22% highlighting weaknesses in the areas of governance for 2010/11. The following areas of assurance were confirmed as working well:

- Staff are aware of the Whistleblowing and Dignity at Work policy
- Governance arrangements are adequate for dealing with Freedom of Information (FOI) and Data Protection (DP) requests
- Performance against the service improvement plans, delivery plans, Flagship Actions, major projects and improvement programmes is monitored through relevant performance measures (e.g. KPIs) and customer and stakeholder feedback, and appropriate action is taken to address any performance issues
- A Business Continuity Plan and Emergency Contact List exists for the division that is reviewed on an annual basis
- All frauds and Suspected Financial Irregularities identified have been referred to Internal Audit and the Corporate Anti-fraud Team
- Recommendations made in Internal Audit, External Audit or Inspection Reports are implemented in a timely manner
- 92% IPADs have been undertaken for employees in 2010/11 in accordance with laid down procedures
- All budget managers prepare a SAP monthly forecast and undertake monthly budget monitoring to minimise the risk of the budget exceeding planned provision
- The divisional budget is on target
- A Directorate Workforce Strategy is in place

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- Relevant Officers understand the process and adhere to timescales for the preparation and clearance of reports to CSB and Committee
- Resources, costs and risks, staffing/workforce issues, environment, performance, consultation, equalities impact, legal issues and community safety issues are taken into account when officers make decisions or recommend decisions to CSB or Committee
- Appropriate planning and co-ordination for formal or informal consultation is carried out and the results of the consultation are explicitly referenced and taken into account when officers make decisions or recommend decisions to CSB or Committee

20. Gaps were identified in the following areas:

- A Health & Safety Plan is in place which covers significant hazards and is reviewed at appropriate regular intervals (at least once within the last 12 months)
- All new starters and new managers have attended the Health & Safety for staff/Managers induction within 3 months of their start date
- The policies, strategies, practices and procedures of the service have been mapped and prioritised for Equality Impact Assessments and the Equality Impact Assessments scheduled for the last year have been undertaken and acted upon
- Completed IPADs have been signed off by a 'grandparent'

21. Regarding the Health & Safety assurance areas, 2010/11 was a period of great change within the Health & Safety Service which culminated in a proposal to CSB in April 2011 to rebuild the Health & Safety Service to implement a two year improvement plan. One of the areas for required improvement is the capturing of meaningful data that can be used to monitor performance and to therefore provide management assurance. An example of this has been the purchase of the self audit tool, which will determine legislative compliance in each service. Also assurance could not be gained by Internal Audit from comparing SAP Course Booker to new starters to confirm they had attended the relevant courses. Course Booker was not in place for the whole of 2010/11 and schools, etc., do not use Course Booker. The H&S team confirmed that it would be time consuming and difficult to gather and compare numbers of trainees against numbers of new starters and data would have to be manually collated for the first half of the year. The Interim Health & Safety Lead also confirmed that as a service Health & Safety are not delivering the H&S Induction for staff and managers to all new starters. This issue is being addressed in the two year H&S improvement plan and the H&S team are looking to procure an e-learning package with which to deliver these courses and make them more accessible to staff.

22. The Policy Officer - Equalities and Diversity confirmed that the Council did not have an agreed Equalities Impact Assessment programme in place for 2010/11. The Council's Single Equalities Scheme (SES) was agreed at Cabinet in December 2010 and this

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includes a three year programme of Equality Impact Assessments. This included mapping and prioritising all functions, policies and services and developing a three year programme which starts from January 2011 – March 2014.

23. There is currently no corporate requirement to report on whether IPADs have been signed by a 'grandparent' and therefore this information could not be confirmed by Internal Audit.

24. One area, i.e.:

- The division explicitly monitors progress against planned savings, including NI 179, on a monthly basis and reports the position to the quarterly improvement board

will need to be reviewed as NI 179 is no longer applicable and has been deleted. However, Internal Audit confirmed that the quarterly Finance Reports provided to the Improvement Boards include forecast outturn for the quarter (and commentary), key issues, value for money and efficiencies where appropriate.

Action Plans/Follow-up

25. During 2010/11 the Action Plans for 2009/10 were sent to the relevant Director/Divisional Director/Head of Service for follow-up. 108 actions were highlighted for implementation and 14 of the 15 action plans were completed and returned to IA. It was confirmed that 66 (61%) were reported (and evidenced in some cases) as having been implemented and 11 (10%) were outstanding with 31 (29%) ongoing (this includes the 13 actions from the action plan which was not completed due to a lack of response from Children's Services).

26. The results are as follows:

Division	No of actions	Actions Implemented	Actions Not Implemented	Actions Ongoing
Shared Services	6	6		
BTP & Customer Services	2	2		
Revenue Collections	7	6	1	
Environmental Services	5	3	2	
Finance & Procurement	4			4
HR & Development	8	8		
Legal & Governance Services	3	2	1	
Adults	8	7	1	
Audit, Risk & Fraud	9	7	2	
Place Shaping	7	5	2	
Housing	16	12		4
Children's Services	13	Response not received		13
Community & Cultural Services	4	4	0	
Partnership Development &	7	4	2	1

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Performance				
IT	9			9
Totals	108	66	11	31
% Actions implemented		61%	10%	29%

27. Action points were also agreed as part of the management assurance statements sign off for 2010/11 by the 3rd tier managers for all areas of assurance identified as working towards or where a gap was identified and these will be integrated into the Improvement Board process and monitored during 2011/12 by Internal Audit and the quarterly Improvement Boards. A corporate action plan will also be produced as part of the Annual Governance Statement covering significant areas of risk identified by management assurance and other governance processes.

Sandra Cartwright, Quality Control Auditor
 Susan Dixon, Service Manager, Internal Audit
 August 2011

Chief Executive's Corporate Assurance Statement 2010/11

Directorates: Adults & Housing, Chief Executive's Dept., Children's Services, Community & Environment, Corporate Finance, Legal & Governance Services, Place Shaping

Chief Executive: Michael Lockwood

AREA OF ASSURANCE	Working well across the Council	Working towards/gap identified	DETAILS	Satisfactory action plan & officer in responsible placing developed	2009/10 results - working well across the Council	2009/10 results - working towards/gap identified
1. Statutory Obligations and Organisational Objectives						
1.1	100%	0%	Confirmed by Corporate Assurance Statements		100%	100%
1.2	91%	9%	Community & Environment departments) working identified	√	100%	100%
	<p>Relevant organisational and service specific legislation is complied with and mechanisms are in place to review procedures in light of legislative change. (AGS 1.1)</p> <p>The division has a delivery plan that covers all relevant service areas and clearly reflects the Council's strategic objectives and legal obligations. These are consistent with professional standards and the resources available, and reflect the management of the major service and budget risks. (OR1 & AGS 1.8)</p>					

	AREA OF ASSURANCE	Working well across the Council	Working towards/gap identified	DETAILS	Satisfactory action plan & officer in place/being developed	2009/10 results - working well across the Council	2009/10 results - working towards/gap identified
1.3	The division's objectives are clearly communicated to staff and stakeholders. (AGS 1.9)	100%	0%	Confirmed by Corporate Assurance Statements		97%	3%
1.4	Adequate plans/procedures are in place for managing and collecting data for inspections, e.g. VFM Statement, Ofsted, CQC	100%	0%	Confirmed by Corporate Assurance Statements		100%	0%
2.	Corporate Governance Arrangements						
2.1	All workers (f/t, p/t, temporary, agency staff and consultants) have received a copy of the Code of Conduct. (AGS 3.5 & 11.2)	97%	3%	Chief Executives working towards/gap identified	✓	94%	6%
2.2	Workers are reminded regularly of the requirement to make declarations of interest/record gifts & hospitality in the Directorate's register.	84%	16%	Corporate Finance (1/2 departments), Chief Executive's Dept. (1/4 departments, Community & Environment (1/2 departments) working towards/gap identified	✓	100%	0%
2.3	In addition to the corporate Scheme of Delegation there is a written directorate/service specific scheme of delegation in place, e.g. to cover HR responsibilities.	56%	44%	Chief Executive's Dept. (1/4 departments), Children's Services (5/5 departments), Adults & Housing (1/2 departments), working towards/gap identified	✓	47%	53%

Performance Management Arrangements							
3.					Confirmed by Corporate Directors Assurance Statements	97%	3%
3.1	The number and subject content of customer complaints and feedback received by the service is monitored and regularly reviewed by DMT and appropriate responsive action made and recorded. (SR7 & AGS 3.14, 9.6, 12.5)	100%	0%				
3.2	All data collected is verified and is appropriate for a specific use. (SR5)	91%	9%		Corporate Finance (1/2 departments), Adults & Housing (1/2 departments) working towards/gap identified	89%	11%
3.3	All data complies with the data quality policy. (SR5) http://harrowhub/downloads/file/878/data_quality_policy	94%	6%		Adults & Housing (1/2 departments) working well/gap identified	89%	11%
4.							
Management of Strategic and Operational Risk							
4.1	Risk assessment & management is embedded within the division for: <ul style="list-style-type: none"> Major projects Financial planning Major Policies & Legislative Changes Delivery Planning 	100%	0%		Confirmed by Corporate Directors Assurance Statements	67%	33%
4.2	All staff assigned to manage premises, including the work of contractors, have been trained to manage safely.	78%	22%		Adults & Housing (2/2 departments), working towards/gap identified	92%	6%

4.3	Premises Managers in your division have made staff aware of any relevant Asbestos Management Plan for the building in which they reside.	94%	6%	Adults & Housing (1/2 departments) working towards/gap identified	√	53%	47%
4.4	Information handling and data security comply with the Council's suite of Information Management and Data Security Policies.	91%	9%	Corporate Finance (1/2 departments), Chief Executive's Dept. (1/4 departments), working towards/gap identified	√	92%	8%
4.5	Service Managers operationally own the information contained in their systems, i.e. they understand what information is held, how it is used and transferred, and who has access to it and why.	97%	3%	Chief Executive's Dept. (1/4 departments) working towards/gap identified	√	61%	39%
4.6	An annual risk assessment is undertaken by your Information Asset Owner (Divisional Directors) for all 'owned' information assets in accordance with Information Governance guidance and report to the SIRO (Senior Information Risk Owner), ensuring that information risks are identified, documented and addressed.	66%	34%	Corporate Finance (1/2 department), Community & Environment (2/2 departments), Legal & Governance Services working towards/gap identified	√	33%	67%

System of Internal Control in Place to Mitigate Principal Risks							
5.							
5.1	Staff are complying with the requirements of the Council's Financial Regulations and Contract Procedure Rules. (AGS 3.1)	78%	22%	Adults & Housing (2/2 departments) working towards/gap identified. Following recent work undertaken by Internal Audit and on information provided by Procurement and the Section 151 Officer, indications are that whilst all self-assessments other than Adults & Housing indicated 100% compliance that this is not the case. Work will continue throughout the year to improve the level of compliance.		100%	0%
5.2	Where contracts are due to expire in the coming 12 months there is a plan in place to: a) review service arrangements/options e.g. potential partnerships; and b) undertake a tender exercise where appropriate	94%	6%	Chief Executive's Dept. (1/4 departments), Legal & Governance Services working towards/gap identified	√	94%	6%
5.3	Divisional Directors/Heads of Service are aware of and support relevant officers in their roles as representatives on the Equality Task Group (ETG).	97%	3%	Legal & Governance Services working towards/gap identified	√	84%	16%
5.4	All key projects are managed in accordance with corporate project management guidelines. (SR4)	100%	0%	Confirmed by Corporate Directors Assurance Statements		75%	25%

5.5	Where services are jointly provided/funded/managed, robust partnership/governance arrangements are in place which clearly define the terms of the partnership, specifying whose rules and procedures are to be followed and are regularly reviewed. (SR4 & AGS 10.12, 11.8)	94%	6%	Adults & Housing (1/2 departments) working towards/gap identified	√	69%	31%
5.6	Budget spend on Learning & Development is known and the value obtained from the spend is analysed.	41%	59%	Adults & Housing (1/2 departments), Community & Environment (2/2 departments), Children's Services (2/5 departments) working towards/gap identified	√	42%	58%
5.7	Learning Logs are maintained for all staff.	66%	34%	Adults & Housing (1/2 departments), Community & Environment (2/2 departments) working towards/gap identified	√	28%	72%
6. Budget Management & VFM							
6.1	Services are using benchmarking and other relevant data to ensure VFM is achieved. (AGS 9.7)	91%	9%	Adults & Housing (1/2 departments), Legal & Governance Services working towards/gap identified	√	92%	8%

Corporate Strategies/Plans/Frameworks						
7.	Corporate Strategies/Plans/Frameworks					
7.1	<p>Relevant officers are aware of the following strategies/plans/frameworks and are implementing them:</p> <ul style="list-style-type: none"> • Council's Vision for 2010/11 • Council's Priorities for 2010/11 • Council Transformation Programme • Community Strategy • Corporate Consultation Strategy • Major Incident Plan • Whistleblowing Policy • Counter Fraud & Corruption Policy • Strategy for People (workforce strategy) • CREATE values • Health & Safety Polices • Code of Conduct • Employees Assistance Programme 	97%	3%	Legal & Governance Services working towards/gap identified	√	New area of assurance
8.	Areas Assessed by Internal Audit					
	Corporate Governance Arrangements					
8.2	Staff are aware of the Whistleblowing and Dignity at Work policy.	100%		Confirmed by IA - information on both contained on Intranet.		96% 6%

8.3	Governance arrangements are adequate for dealing with Freedom of Information (FOI) and Data Protection (DP) requests.	100%		Confirmed by IA: FOI guidance on Intranet FOI & DP Champions DP Policy on Intranet Information Management policy on Intranet Acceptable use of Information and Information systems policy on Intranet	100%	0%
Performance Management Arrangements						
8.4	Performance against the service improvement plans, delivery plans, Flagship Actions, major projects and improvement programmes is monitored through relevant performance measures (e.g. KPIs) and customer and stakeholder feedback, and appropriate action is taken to address any performance issues. (OR1, 3 & AGS 1.15)	100%		Confirmed by IA: Improvement board reports/action notes Performance Management framework on the Intranet KPIs incorporated in the corporate Directorate Service Improvement Plan Improvement Board and Workforce Strategy groups receive reports on KPIs. Corporate scorecards HSP report NIs published as part of Corporate Plan Annual Governance Review	100%	0%

Management of Strategic and Operational Risk	
8.6	<p>A Health & Safety Plan is in place which covers significant hazards and is reviewed at appropriate regular intervals (at least once within the last 12 months). (AGS 3.13)</p> <p>√*</p> <p>The Interim Health & Safety Lead confirmed to IA that 2010/11 was a period of great change within the Health & Safety Service which culminated in a proposal to CSB in April 2011 to rebuild the Health & Safety Service to implement a two year improvement plan. One of the areas for required improvement is the capturing of meaningful data that can be used to monitor performance and to therefore provide management assurance. An example of this has been the purchase of the self audit tool, which will determine legislative compliance in each service. This tool is currently under trial in Community & Environment Directorate and will be rolled out across the council in 2011/12. A target has been set for the introduction of agreed monitoring mechanisms and more meaningful reporting will be possible in 2012/13.</p> <p>√</p> <p>89%</p> <p>11%</p>

* As this was assessed by IA on information provided by H&S it has not been possible to assess the percentage of compliance across directorates
 managementassurance/statement/2010/11

8.7	All new starters and new managers have attended the Health & Safety for staff/Managers induction within 3 months of their start date. (AGS 3.13)*	√*	Assurance not gained by IA from comparing SAP Course Booker to new starters. Course Booker not in place for whole of 2010/11 and schools, etc., do not use Course Booker. The H&S team confirmed that it would be time consuming and difficult to gather and compare numbers of trainees against numbers of new starters and data would have to be manually collated for the first half of the year. The Interim Health & Safety Lead also confirmed that as a service Health & Safety are not delivering the H&S Induction for staff and managers to all new starters. These courses are run in line with a yearly training plan but attendance is not to the required level. This issue is being addressed in the two year H&S improvement plan and the H&S team are looking to procure an e-learning package with which to deliver these courses and make them more accessible to staff.	√	83%	17%
8.9	Your division has a Business Continuity Plan and Emergency Contact List that is reviewed on an annual basis. (OR6 & AGS 3.9)	100%	Confirmed to IA by the Emergency Planning Team that all the Council's divisions have a Business Continuity Plan including Emergency Contact List in place that has been reviewed on an annual basis. One was outstanding within Community & Environment but this has now been reviewed and signed on 8/7/11.		100%	0%

* As this was assessed by IA on information provided by H&S it has not been possible to assess the percentage of compliance across directorates management/assurance/statement/2010/11

System of Internal Control in Place to Mitigate Principal Risks					
8.11	All frauds and Suspected Financial Irregularities identified have been referred to Internal Audit and the Corporate Anti-fraud Team. (OR2)	√ ¹	Confirmed in Financial Regulations. Internal Audit & CAFT maintain a register of all frauds.	100%	0%

¹ Whilst it can be confirmed that it is working well, the actual percentage across directorates could not be confirmed.
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8.12	Recommendations made in Internal Audit, External Audit or Inspection Reports are implemented in a timely manner. (AGS 4.1)	97%	3%	As detailed in the IA year end report 2010/11, follow-up of recommendations showed that 58% of recommendations still applicable have been implemented; however a further 39% are in progress or were planned at the time of follow-up thus it is expected that in due course 97% will be implemented. It was identified that the majority of those not yet implemented was due to a slower than agreed implementation. External Audit and Inspection reports are self-regulatory.	92%	8%
8.14	The policies, strategies, practices and procedures of the service have been mapped and prioritised for Equality Impact Assessments and the Equality Impact Assessments scheduled for the last year have been undertaken and acted upon.		√*	The Policy Officer - Equalities and Diversity confirmed to IA that the Council's Single Equalities Scheme (SES) was agreed at Cabinet in December last year and this includes a three year programme of Equality Impact Assessments. This included mapping and prioritising all functions, policies and services and developing a three year programme which starts from January 2011 – March 2014. The Policy Officer – Equalities and Diversity will be producing annual progress reports for CSB and the Overview and Scrutiny on the three year action plan each year with the first one due at the end of March 2012. The Council did not have an agreed Equalities Impact Assessment programme in place as such therefore for 2010/11.	31%	69%

* As this was assessed by IA on information provided by the Policy Officer - Equalities and Diversity, it has not been possible to assess the percentage of compliance across directorates
managementassurance/statement/2010/11

8.15	IPADs have been undertaken for employees in 2009/10 in accordance with laid down procedures. (SR8 & 17)	92%	8%	IA obtained evidence from HR that 92% IPADs have been undertaken for employees in 2009/10.		44%	56%
8.16	Completed IPADs have been signed off by a 'grandparent'.		√*	HR confirmed to IA that it is not a corporate requirement to report on whether IPADs have been signed by a 'grandparent'. Therefore this cannot be verified.	√	47%	53%
Budget Management & VFM							
8.17	All budget managers prepare a SAP monthly forecast and undertake monthly budget monitoring to minimise the risk of the budget exceeding planned provision. (SR2)	√ ¹		The Divisional Director, Finance & Procurement confirmed that the Finance Business Partners actively monitor and support directorates/divisions.		83%	17%
8.18	The division explicitly monitors progress against planned savings, including NI 179, on a monthly basis and reports the position to the quarterly improvement board.	100%		It was confirmed by the Senior Performance Officer that NI 179 has been deleted for some time. Internal Audit confirmed by reviewing the quarterly Improvement Board papers that the Finance Reports include forecast outturn for the quarter (and commentary), key issues, value for money and efficiencies where appropriate.		100%	0%

¹ Whilst it can be confirmed that it is working well, the actual percentage across directorates could not be confirmed.

8.19	The divisional budget is on target. (SR2)	√ ¹		The Divisional Director, Finance & Procurement confirmed that for 2010/11 all budgets were on target/underspent. This is confirmed in the 2010/11 outturn report. Any potential overspends are highlighted during the year and efforts made to balance these during the year.		75%	25%
Corporate Strategies/Plans/Frameworks							
8.20	A Directorate Workforce Strategy is in place. (SR8)	100%		HR confirmed and provided evidence to IA that Directorate Workforce Strategies were in place for all directorates for this period.		72%	8%
Decision Making							

¹ Whilst it can be confirmed that it is working well, the actual percentage across directorates could not be confirmed.

8.21	<p>Relevant Officers understand the process and adhere to timescales for the preparation and clearance of reports to CSB and Committee. (OR5)</p>	100%	<p>Assurance provided to IA by the Corporate Affairs Manager that the CSB process is very well understood and generally timescales are adhered to. Assurance provided to IA by the Democratic and Electoral Services Manager that clear advice is given regarding deadlines for the submission of reports to any committee/panels falling within the remit of Democratic & Electoral Services and all report proformas are available on the Intranet. It was also reported that Democratic & Electoral Services experience peaks and troughs with regard to timely submission by other officers of reports for committees. In terms of late submission there is a built in requirement that where a report does not conform with the deadlines it must explain why it is late and identify a reason for its late consideration rather than being delayed to the next committee meeting.</p>	100%	0%
8.22	<p>Resources, costs and risks, staffing/workforce issues, environment, performance, consultation, equalities impact, legal issues and community safety issues are taken into account when officers make decisions or recommend decisions to CSB or Committee. (OR5)</p>	100%	<p>Internal Audit review of a sample number of Committee/Cabinet reports for 2010/11 confirmed that all relevant issues were taken into account when officers make decisions or recommend decisions to CSB or Committee. Financial, Performance, Environmental, Risk Management, Equalities Impact were included in all reports and the other areas, e.g. staffing/workforce issues, etc., were included where relevant.</p>	100%	0%

8.23	Appropriate planning and co-ordination for formal or informal consultation is carried out and the results of the consultation are explicitly referenced and taken into account when officers make decisions or recommend decisions to CSB or Committee. (OR5)	100%	Internal Audit review of a sample number of Committee/Cabinet reports for 2010/11 confirmed that the results of consultations are explicitly referenced and taken into account when officers make decisions or recommend decisions to CSB or Committee.		100%	0%
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I confirm that the above is a fair reflection of the internal control, risk management and governance arrangements in place for the Council during the financial year 2010/11.

Signature: 

Title:

Date: 17 August 2011

Key to Traffic Lighting – Areas of assurance

09/10	Change in 10/11	Colour
(Assurance level 75%)	(Assurance level 80%)	
Good assurance level (75% & above)	No change	Green
Good assurance level	Improved	Green
Good assurance level	Decrease but still above 80%	Amber
Good assurance level	Decrease below 80%	Red
Medium assurance level	No change	Amber
Medium assurance level	Improved & above 80%	Green
Medium assurance level	Still 80%	Amber
	Decrease but still 50%-79%	Amber
	Decrease 49% and below	Red
Poor assurance level	No change	Red
Poor assurance level	Improved & above 80%	Green
Poor assurance level	Improved & above 50%	Amber
Poor assurance level	Still less than 50%	Red

Key to Traffic Lighting (% controls operating well/working towards 10/11)

Good/acceptable assurance level (80% and over) = Green
 Medium/below acceptable level (50%-79%) = Amber
 Poor/unacceptable level (49% and below) = Red

managementassurance/statement/2010/11

**REPORT FOR: GOVERNANCE, AUDIT
AND RISK
MANAGEMENT
COMMITTEE**

Date of Meeting: 6 September 2011

Subject: INFORMATION REPORT - Risk,
Audit & Fraud Division Activity
Update

Responsible Officer: Tom Whiting, Assistant Chief Executive

Exempt: No

Enclosures: None

Section 1 – Summary

This report outlines the current work streams of the Risk, Audit and Fraud group of services.

Recommendations:

The Committee is requested to note the progress across the division.

Section 2 – Report

Background

- 2.1 This report sets out the progress made and future work planned in respect of the Risk, Audit and Fraud group of services, which the GARM Committee is responsible for monitoring as part of its terms of reference.
- 2.2 The focus of this monitoring is quarter 1 in 2011/12, April to June 2011.
- 2.3 This report does not set out the activity of the Internal Audit, Insurance or Emergency Planning, since these services have provided reports separately on this Committee's agenda.

Corporate Anti Fraud Team

- 2.4 During the 1st quarter of 2011/12 the Corporate Anti-Fraud Team achieved the following output:-
 - 2.41 Benefit fraud
 - Referrals received = 88
 - Closed investigations (cases investigated by Investigation Officers, does not include anything risk assessed out) = 29
 - Cautions issued = 0
 - Administrative penalties = 6
 - Administrative penalties value = £6,747.36 (fines)
 - Summons issued = 1
 - Successful prosecutions = 3
 - Proceeds of Crime Act 2002 orders (POCA) = £190,856.54 (joint case with Brent, total loss being £168,136.60)
 - Overpayments = £130,038.05 (in relation to the above cautions, administrative penalties & prosecution cases)
 - DWP overpayments related to joint cases = £64,717.01
 - 2.42 Corporate fraud
 - Referrals received = 28
 - Closed investigations = 24
 - Cautions = 1
 - Successful prosecutions = 0
 - Application for services refused/withdrawn = 5
 - Employee dismissals/conduct activity = 0

Successful prosecution case studies

- 2.43 Ms Sasha Keogh - Carlyon Avenue, South Harrow, HA2

Ms Keogh claimed benefit on the basis of being a single parent of three children on Income Support. In 2008 an allegation was made that Keogh was living together with her partner, Derek Currell who was a self employed roofer and that they also had a son together.

Investigations revealed that Keogh had declared Currell as the alleged landlord of the property when the claim commenced in 2003, but gave his address in another part of Harrow, where his parents resided. Currell had owned the property since 1996. In 2004 they had a child together and the birth certificate showed that Currell was the father and that he resided at the same address as Keogh so the suspicion was that they were in a relationship from the outset of the claim.

Evidence obtained by investigators showed that they were financially linked in April and May 2004 and that they held a joint Nationwide bank account throughout the claim. Keogh also held other accounts that were not declared on her application form and credits into this account showed that she had also been working for a period of a year undeclared to the authorities.

Half way through the claim, Keogh advised that her landlord had changed to Diann Kedge of Roy Road, Northwood and provided a tenancy agreement to support this. Enquiries made with Ms Kedge revealed that the agreement was fake and that she had never had any involvement with the address, although she confirmed that she was the mother of Currell and that she was aware that her son had been in a relationship with Keogh for sometime.

Keogh was invited to attend an interview and after receiving legal advice decided not to go ahead. Her claims for Housing Benefit, Council Tax Benefit and Income Support were reassessed which resulted in overpayments of £47680.64, £6941.72 and £16,169.76 respectively. She was summonsed to attend court to answer 9 charges affecting her benefits and on 20th April 2001 pleaded guilty to 8 charges.

On 18th May 2001 she was sentenced to 12 months in prison suspended for 2 years, 300 hours unpaid work, a 6 month curfew for the hours 6pm – 6 am and a 2 year supervision order. She was also ordered to attend an education, employment and training course. No compensation order was made as she did not have the means to repay the debt within 2 years.

2.44 Ms Andrea Thomas – Pinner Grove, Pinner, HA5

Ms Thomas claimed benefit from 2003 on the basis of being a single parent of two children on Income Support. In late 2008 a data matching allegation was received stating that Thomas had £62,000 in capital held in two undeclared bank accounts. She had only ever declared one Barclays account on her application to both the authority and the DWP.

Thomas was interviewed by investigators who confirmed that she had received a payment of £62,000 in June 2005 following the death of her mother. She admitted that she consciously decided to withhold this

information because she realised that her benefit claim with both the authority and the DWP would have ceased.

Her claims for Housing Benefit, Council Tax Benefit and Income Support were reassessed which resulted in overpayments of £45,262.71, £3,769.61 and £15,730.93 respectively.

She was summoned to attend court to answer 4 charges of fraud and pleaded guilty on 20th May 2011. She was sentenced on 21st June 2011 to 6 month's imprisonment suspended for 2 years and she was also issued with a 4 month curfew between the hours 9pm – 7am. No compensation order was made as she did not have the means to repay the debt within 2 years.

2.45 Miss Theresa Quinlan – Lowther Road, Stanmore, HA7

Miss Quinlan claimed Council Tax Benefit as a single person on Job Seekers Allowance (JSA) from 1998. She declared one post office bank account. A referral was received in late 2008 from another local authority alleging that a John Quinlan was registered at the same address as Quinlan. They provided a benefit claim form that they had received with supporting bank statements that were registered at the Lowther Road address.

Following investigations, officers were able identify that in addition to a John Quinlan being registered at the address, financial links placed a James Reynolds also at the address. Officers interviewed Quinlan and who confirmed that John Quinlan was her father who stayed with her from time to time and that James Reynolds was her ex-partner and that he paid the mortgage on Lowther Road for her, but did not live with her.

A few weeks after the 1st interview, Quinlan called officers and stated that James Reynolds had moved back into the address. Officers interviewed Quinlan once again to query this statement and she admitted that James Reynolds had in fact moved in with her some 2 years previous. When Quinlan could not provide an address history for Reynolds, upon further questioning, she admitted that he had been living with her for the last 6 years.

Her claim for Council Tax Benefit was reassessed which resulted in her being overpaid £4,192.09. She was also overpaid Job Seekers Allowance amounting to £32,816.32. She was summonsed to attend court and pleaded guilty to all charges. She was sentenced on 20th June 2011 to 126 weeks imprisonment suspended for 12 months plus 80 hours community work and £600 costs. No compensation order was made as she did not have the means to repay the debt in 2 years.

Housing tenancy fraud/misuse case studies

2.46 The CAFT appointed a Housing Fraud Investigator at the end of January 2011 to assist Housing Management in dealing with subletting and tenancy misuse. A number of positive results for the authority have been achieved with 4 tenancies being surrendered by tenants

whose cases had been investigated. A further tenancy has been surrendered and the keys are expected at the end of August 2011.

- 2.47 The following cases demonstrate that with targeted resources, council assets can be redistributed to those that most need Council support. It also represents a saving for the council in that it reduces temporary accommodation costs by moving families into secure tenancies. The Audit Commission in their 'Protecting The Public Purse' report published in October 2010 calculated that average temporary accommodation costs in the UK were £18,000 per year and as this figure was a national one, Harrow could possibly be much higher than this. The 4 tenancies returned to Council possession and now re-let to people that were in temporary accommodation represents a real saving of £54,000 for the Council.

2.48 Mr S – Pinner, HA5

Case referred by Housing Management as they were having difficulty in gaining access to the property to undertake the gas safety check. Mr S had been a tenant since 2001. The suspicion was that the property was not occupied by the tenant as their principle home. The Investigation Officer was able to establish that the tenant was not liable for any utility bills at the address and had no credit activity or TV license.

He was traced to an address in Hadley Wood in Barnet and the London Borough of Enfield Council confirmed that he was the registered person for Council Tax since 2008. He was also registered for gas and electricity payments since 2008 at the address, although the property was owned by a company based in the Isle of Man.

Further financial enquiries undertaken revealed that the tenant had purchased a property in Milton Keynes in 2005 for £430,000 and that the Council had him registered for Council Tax since 2004.

A Notice to Quit was served on Mr S for non occupation and after attending a meeting with housing and fraud officers he surrendered the tenancy. All rent arrears were cleared and he handed the keys back into the authority in April 2011.

2.49 Mr S – Wealdstone, HA3

Issue identified as a result of the National Fraud Initiative (NFI) linking the tenant to a live Council Tax Benefit claim in Coventry City Council. Mrs S had been a tenant since 2003. Investigations confirmed that the tenant purchased the Coventry property in 2008 and from documentation he had supplied the Coventry Council tax dept he had stated he had left the Harrow.

A visit was undertaken on the tenancy address and the tenant's daughter, son in law and child were found to be occupying. School

admissions in Harrow confirmed that the tenants two other children had left Harrow schools in 2008 and had transferred to Coventry.

The tenant was interviewed where he stated he was living at both properties and when informed that we would be issuing a Notice to Quit, he signed a form and surrendered the tenancy. He handed keys back in June 2011.

2.50 Mrs C – Kenton, HA3

Issue referred by Housing Management with concerns that the tenant was not occupying the property as neighbours had reported not seeing her there. The tenant was also attempting to assign the tenancy to a lodger. An unannounced visit to the address was conducted where the lodger was found in occupation.

The tenant was interviewed and whilst she claimed to still be resident she could provide no financial and medical documentation proving she resided. A Notice to Quit was prepared but the tenant surrendered the tenancy and handed keys back in May 2011.

2.51 Mrs L, Harrow, HA2

Issue identified by Housing Management with concerns that the tenant was often away in Wales. Mrs L had been a tenant since June 2010 after a mutual exchange took place from an address in Lambeth.

Following a detailed investigation, no trace could be found of any credit history for her at the tenancy address and examination of the application form she completed to mutually exchange raised suspicions that documentation had been altered to assist the move go through.

Evidence was also found that signatures on various documentation purporting to be from the tenant did not match up. She was traced to an address in North Wales where she was particularly credit active and where she had been on the voter's role since 2009.

A visit was conducted and the tenant's daughter in law was found to be in occupation and claimed that the tenant had gone away for a few weeks to look after her sick mother. The tenant was interviewed and claimed to be living at the tenancy address as her principal home. She could not provide answers as to why she was registered to vote elsewhere nor why all her financial business was also registered away from the Harrow address. A report was passed to housing management to issue notice.

She agreed to sign a tenancy surrender form and eventually handed the keys back in to the Council in June 2011.

- 2.52 Harrow Council has been allocated funding of £100,000 in 2011/12 and £100,000 in 2012/13 as part of the Preventing Homelessness area based grant to go towards housing fraud initiatives.
- 2.53 The grant however is not ring fenced and whilst an extra £100,000 has been awarded to tackle housing tenancy fraud, a decision on the allocation of this funding has still to be made.
- 2.54 Harrow welcomes this additional funding to tackle this area of fraud and the CAFT strongly supports the continuation of the dedicated Investigation Officer post past the initial 12 month contract which will end in January 2012.

Blue badge fraud and misuse - Operation Foxglove

- 2.55 Officers from the CAFT, Greenhill Safer Neighbourhood Team and Parking enforcement executed Operation Foxglove on 25th May 2011 to crackdown on disabled blue badge misuse. The operation was successful and out of 43 persons audited, 13 were found to be misusing the badge. All were issued with a Penalty charge Notice and will be interviewed in the coming weeks and a decision made on what further action is to be taken against them.

Information Management

- 2.6 Poor data security control is a serious, widespread, high-impact financial and reputational risk to the Council. The information Commissioners Office (ICO) now has powers to impose substantial fines on organisations that 'deliberately' or 'recklessly' commit serious breaches of the DPA. The maximum fine the ICO can impose has now been set at £500,000.
- 2.61 On 24 November 2010, the Information Commissioner issued his first monetary penalty (£100,000) to Hertfordshire County Council. To date another 3 Councils have been fined (Ealing £80,000, Hounslow £70,000 and Surrey CC £120,000). These high profile and highly publicised incidents have prompted management and audit committees in many local authorities to increase their focus on the risk of data loss and theft and to ensure that the risk is adequately managed.
- 2.62 Risks include the possibility of IT systems being compromised, data being lost, damaged, unavailable or unlawfully disclosed to unauthorised persons and of course the adverse national publicity this could cause.
- 2.63 The Council has acknowledged that information management is an area of importance and as such has created an Information Management Team (IMT) to be responsible for the overall management of data security to ensure that the information needs of

the Council are met, and complies with legislative requirements. IMT manage and develop security policies to implement an Information security strategy across the Council and co-ordinate 'virtual' teams of FOI/DPA/EDRMS champions to be consistent with their approach.

2.64 The Service Manager, Information Management also has responsibility for data protection including:

- The provision of data protection awareness for staff within the Council (aided by the council's Legal department);
- The provision of information security training (aided by e-learning tool);
- The development of best practice guidelines;
- Carrying out compliance checks to ensure adherence throughout the Council with the Act;
- Provision of professional support, updates and advice to officers on data protection and related matters;
- Notification to the Information Commissioner.

2.65 IMT is assisting Capita in implementing an ongoing programme of work using the Council's workflow platform, Civica. The principles underpinning this project are to modernise and standardise processes to help the council deliver more efficient services to customers and to build an IT platform which can be extended to other services areas for transformation and information sharing.

2.66 EDRMS (Electronic Documents and Records Management System) is the technology being utilised to achieve this project. The Document & Records Management Systems Officer (within IMT) provides corporate first line application support for Civica W2 Document Management & Workflow system and the EDRMS.

2.67 The Document & Records Management Systems Officer also acts as systems consultant / project manager to Council staff in areas where the system is being rolled out to new areas, as well as responsibility for the coordination and implementation of new system releases & patches, ensuring all work is coordinated with relevant existing user departments and by the set deadlines to minimise disruption to users.

2.68 Information Architecture requires a hands-on functional specialist to manage the file structure in the EDRMS and develop it as new services are incorporated. This role (Information Architect) within IMT has taken the lead on Document and Records Management across the Council by providing professional expertise and experience in the areas of Information Architecture, Retention and Destruction Policy, and wider related areas of Information governance.

Progress in quarter 1 was specifically around the following:

- Working with our Capita partners to ensure that the suite of corporate data security policies and the associated protocols are imbedded in Capita's data security plan as part of the new ITO contract.
 - Finalising implementation of the new DPA / FOI tracking IT system across Council;

Work Stream for the remainder of 2011/12:

- Assist all Directorates to undertake their yearly review of their Information Asset Register and Information Risk Action Plan, which in turn will enable IMT to formulate a revised corporate information asset register and ensure Information Risk Action Plans are in place;
- Data gathering exercise to enable implementation of information classification across the Council. The Council must also be able to share information (including personal data) confidently knowing it is reliable, accessible, and protected against agreed standards irrespective of format or transmission method.
- Develop a council record and document retention schedule in order to protect council records from erroneous destruction;
- Roll out on-line and classroom based training to ensure a consistent and secure approach to Information Security across the Council;
- Protocols for information security with 3rd parties. Data protection and privacy issues to be imbedded in contracts, IT support and strategic partner agreements.
- Data Security Leavers Protocol i.e. Return of USB fobs, RSA tokens etc. This is to ensure that Council Information Assets are protected at all times.
- Information Architecture – Subject to approval, work with Capita to develop and implement a Corporate Information Architecture to be used for the Mobile and Flex corporate project.
- To enable Civica to function as intended, a Civica development program will be put in place and will include providing support to the business support project, migration work due to ITO contract and possible Civica version updates.

Health & Safety

2.7 Background

Following the annual report issued to the GARM Committee on the 28th June 2011, this summary provides an update on progress made since April 2011.

2.71 External Assurance

Following on from the three Improvement Notices issued in June 2010 the Health and Safety Executive have been kept updated on progress made in the management of asbestos in both schools and corporate properties. The scheduled revisit by the HSE Inspector to review health and safety auditing arrangements has not taken place so far.

2.72 Improvement Plan

Following CSB's endorsement of the two year improvement plan in April 2011 the implementation of the plan is underway and progress is reviewed at the quarterly Corporate Health and Safety group meetings.

2.73 Policy & Guidance

The review of the health & safety policies and procedures continues. The following documents are currently being consulted upon for approval at the next Corporate Health & Safety Group:

- Health and Safety Policy
- Consultation & Communication
- Educational visits
- Legionella Policy & Code of Practice
- First Aid

2.74 Health & Safety Groups

The health and safety groups continue to meet every quarter or every school term. In order to ensure effective communication consultation is currently taking place on synchronising meeting dates to ensure effective escalation of health and safety risks.

2.75 Inspection & Audit

The procurement process for purchasing an e-audit tool has been completed and the process for delivering the audit tool has now commenced. The audit questionnaire has been populated with the relevant questions to determine compliance with health and safety legislation and a trial is nearly complete in the Community and Environment Directorate. A communications plan is now in place to deliver the audit tool across the council, which includes presentations at Divisional Management Team meetings and at the Managers' Forum.

2.76 Training

A review of the delivery of health and safety training has commenced and the service is internally reviewing e-providers. The service has continued to provide in house training in line with the training matrix and is focussing on delivering premises management training to managers with responsibility for corporate and adults & housing stock.

2.77 Educational Visits

The service has continued to review the assessments for school trips, assessing over eighty trips since April 2011.

The government has issued new guidance for educational visits, reducing the guidance note from 150 pages to 8 in order to simplify the process. As a consequence the Health & Safety will need to revise its documentation to reflect the government guidance.

2.78 Occupational Health

Santia continue to be the Occupational Health provider for the council. The planned developments for the introduction of online pre-employment assessment and online referrals are still ongoing and schools continue to be the highest user of the service in relation to work health assessments and sickness absence management.

2.79 Health Promotion

A men's health day was organised at the depot in June 2011 to promote healthy eating and awareness of topics such as prostate cancer. A further health day is currently being organised for October 2011.

2.80 Employee Assistance Programme (EAP)

First Assist continue to provide the EAP service to the council. Usage of the service has significantly increased in the first quarter of the year in comparison to the previous quarter although it still remains relatively low with only 51 calls for telephone counselling during this quarter.

2.81 Accidents

The number of accidents has continued to increase when compared to the quarter 1 in 2010/11. As stated in the annual report this is expected with the introduction and promotion of new systems for accident reporting. However we still expect this trend to continue as we have been made aware in a number of health & safety meetings of the non reporting of incidents. Positive promotion of the new systems will therefore continue.

There were ten HSE reportable employee accidents during quarter 1 of 2011/12. Only one of these incidents was designated as a major reportable incident when an employee fell down some stairs chipping a bone and a tooth.

2.82 Changes in Legislation

There is a potential change to the asbestos regulations, with the European Commission asking for changes with respect to activities currently listed as non-notifiable. The potential changes would mean that short, non-continuous

maintenance activities and the removal of materials in which the asbestos fibres are firmly linked in a matrix would become notifiable to the HSE. These changes may be implemented in October 2011 or April 2012.

2.83 Restructure

The process for delivering a restructure and building an in-house health and safety service is currently underway and has reached the consultation stage.

Section 3 – Further Information

3.1 None.

Section 4 – Financial Implications

4.1 The work of the Risk, Audit and Fraud division is carried out within the budget available and supports the achievement of financial objectives across the council.

Section 5 – Corporate Priorities

5.1 Collectively the division contributes to the delivery of all the corporate priorities through supporting the council as a whole to achieve their targets and objectives.

Name: Steve Tingle	<input checked="" type="checkbox"/>	On behalf of the Chief Financial Officer
Date: 17 th August 2011		

Section 6 - Contact Details and Background Papers

Contact: David Ward Tel: 020 8424 1781
david.ward@harrow.gov.uk

Background Papers: None

**REPORT
FOR:**

**GOVERNANCE AUDIT
RISK MANAGEMENT
COMMITTEE**

Date of Meeting:	6 September 2011
Subject:	Risk Management Update and Draft Risk Management Strategy
Responsible Officer:	Tom Whiting, Assistant Chief Executive
Portfolio Holder:	Councillor Graham Henson - Portfolio Holder for Performance, Customer Services and Corporate Services
Exempt:	No
Enclosures:	Appendix 1 – Draft Risk Management Strategy

Section 1 – Summary and Recommendations

The Governance Audit and Risk Management Committee (GARM) support Cabinet in its role by reviewing internal policies and arrangements. This includes providing an assurance to Cabinet that the Risk Management Strategy is in line with current guidance and best practice.

This report is provided to ensure GARM is aware of the Council's progress in risk management, to comply with the governance framework and ensure the Council's risk management framework continues to align with best practice.

Recommendations:

GARM is requested to:

- note the risk management position; and
- comment on and endorse the draft Risk Management Strategy.

Section 2 – Report

Risk Management position

The Council's key risk management achievements in the past 12 months and planned initiatives in 2011/12 are:

Key Achievements

- Delivery of a council-wide assurance mapping project to identify and strengthen the operation of assurance groups at the Council and also the robustness of risk registers in relation to these key groups
- Best practice visit and sharing of information on risk management with Councils recognised as excellent
- Review and update of the risk management strategy
- Attending CSB Performance meetings as required
- Quarterly update of the strategic risk register, corporate operational risk register and directorate risk registers with corporate directors, providing challenge to ensure risk registers were complete and robust.
- Facilitating meetings and provision of secretariat functions to the Corporate Risk Steering Group (CRSG).
- The Corporate Risk Steering Group met 4 times during 2010-11 covering such issues as risk management training, the assurance mapping project and the risk management strategy, as well as generally sharing information and lessons learned on risk and risk issues at the Council
- The CRSG also provided challenge on the robustness of the strategic and corporate operational risk registers and the adequacy of controls to mitigate the risk
- Membership and strong risk management input into to the following project groups/work streams at the Council – the Corporate Governance Working Group, the Capital Forum, Planned and Reactive Maintenance and Harrow Highways Construction tender/procurements

Key Deliverables and Initiatives Underway / Planned

- Ensure that approved changes to the risk management strategy are reflected in other council risk management policies, guidance and training, where appropriate.
- Integrate and embed the approved risk management strategy
- Establish and develop the roles of GARM Lead Member Risk Champion and Council Risk Champion
- Capture of positive risk opportunities in risk registers
- Merge, consolidate and streamline the strategic and corporate operational risk registers into a single corporate risk register
- Produce a high level risk summary report for distribution to CSB
- Investigate and recommend a course of action relating to the potential purchase and use of a risk management software system, particularly in regard to the generation of risk management reports.
- Review/refresh the terms of reference of the CRSG to ensure it continues to be effective and continues to meet the needs of members

Risk Management Strategy

The Risk Management Strategy (October 2010) was reviewed to identify ways to further enhance it and to ensure it continues to reflect best practice. The updated strategy:

- Is linked more strongly and explicitly to the new strategic vision set for the Council of Working Together; Our Harrow, Our Community
- Streamlines risk reporting outputs/formats to more efficiently meet the information needs of users of risk management information, e.g. the strategic and corporate operational risk registers are being consolidated into a single corporate risk register so that all key strategic risks are reported in a consistent way in one risk register
- Recognises relevant changes since 2010 in the structure and workings of the Council affecting the risk management function e.g. in the introduction of commissioning panels.

To support the new Risk Management Strategy, the existing Risk Management Guide will also be reviewed so as to ensure it is fully consistent with it. The Guide provides detailed step-by-step advice on how to conduct a risk assessment and complete the risk register. The Corporate Risk Steering Group will be asked to approve the Guide.

To ensure the new Risk Management Strategy is fit for purpose, comments have been sought from a range of stakeholders in the risk management function , e.g. corporate directors, heads of service and the corporate risk steering group and amendments will be made where appropriate to make the strategy more focused on their needs.

Comments are sought from the Committee as part of this consultation process.

Financial Implications

The risk management support service is delivered within the available budget within the Risk, Audit & Fraud Division and part of this support role is to ensure that resources across the council are prioritised on a risk based approach.

Risk Management Implications

There are no risks to the Council in approving the Risk Management Strategy. Should the recommendation not be accepted, there is a risk that the Council's Risk Management Strategy and related guidance will not continue to align with best practice or clearly define the Council's requirements for the management of its risk.

Corporate Priorities

The Risk Management Strategy supports the achievement and delivery of all of the Council's Corporate Priorities and the vision set for it in Working Together; Our Harrow, Our Community

Section 3 - Statutory Officer Clearance

Name: Jennifer Hydari	<input checked="" type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: 25 August 2011		
Name: Matthew Adams	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: 26 August 2011		

Section 4 - Contact Details and Background Papers

Contact: Neale Burns, Interim Risk Manager, Extension 5299

Background Papers: None

RISK MANAGEMENT STRATEGY

Version: First Draft
Date: August 2011

Document Control

Document Information

Reference	London Borough of Harrow Risk Management Strategy
Location	Civic 1
Owner	David Ward, Division Director – Risk Audit and Fraud
Author:	Neale Burns, Interim Risk Manager

History of Changes

Version	Date	Incorporates Changes By:
0.1		Neale Burns, Interim Risk Manager
0.2		David Ward, Divisional Director – Risk Audit & Fraud
0.3		Corporate Director Cross-Section Consultation
0.4		Corporate Risk Steering Group
0.5		Governance Audit and Risk Management Committee [Draft]
0.6		Corporate Strategic Board
0.7		Governance Audit and Risk Management Committee [Final]
0.8		Cabinet

Distribution

Name	Role	v0.1	v0.2	v0.3	V0.4	v0.5	v0.6
Neale Burns, Interim Risk Manager	Responsible for ensuring that the Council, directorates, services and staff are supported in the development and implementation of the risk management strategy and framework.	-	-	-			
RAF Divisional Director	Responsible for the management of RAF.		-				
Corporate Director Cross- Section Consultation	Considers they key finance and performance standing of the Council, including corporate risks, and endorses Cabinet papers.			-			
Corporate Risk Steering Group (CRSG)	Support and review the Risk Management Strategy/Policy and related guidance.						
Governance, Audit and Risk Management Committee (GARM) [Draft]	Responsible for reviewing the efficacy of internal policies and arrangements, including the Risk Management Strategy.						
Corporate Strategic Board (Performance)	Considers they key finance and performance standing of the Council, including corporate risks, and endorses Cabinet papers.						
Governance, Audit and Risk Management Committee (GARM) [Final]	Responsible for reviewing the efficacy of internal policies and arrangements, including the Risk Management Strategy.						
Cabinet	Responsible for the preparation/agreement of other policies and plans for making key decisions, including risk management.						

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Code	Reason For Issue:
-	Not issued.
I	For information only – no action required.
R	For review – comments to be directed to the Risk Manager
S	For endorsement / approval.
A	Endorsed or Approved for issue.
Code	Review Response:
C	Comments received.
O	Document OK.
T	(Timeout) No comment(s) received within allowed review period.
U	Updated

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1. INTRODUCTION

- 1.1 Risk is the uncertainty of an event occurring, which could be a negative threat, or a positive opportunity, that could have an impact on the achievement of the Council's key objectives. It is the "effect of uncertainty on objectives" (BS ISO 31000:2009 Risk Management – Principles and Guidelines). Risk Management is "the process of understanding and managing the risks that an organisation is inevitably subject to in attempting to achieve its corporate objectives" (CIMA Official Terminology) and is the process whereby the Council methodically addresses those risks or barriers to achieving its vision, corporate and directorate objectives. Risk arises from possible threats to objectives, as well as failure to take advantage of possible opportunities. Only those risks that impact on the achievement of objectives should be captured in risk registers.
- 1.2 Risk can also be operational in nature and exist at service or team level within an organisation, such as disaster recovery risks, health and safety risks or in risks relating to the care and protection of vulnerable clients, but are likewise to be seen as barriers to achieving operational outcomes and objectives. Unless effectively managed, such risks can escalate in their nature and impact to become much more significant and strategic in their potential impact.
- 1.3 Harrow Council provides a wide range of services that improve the quality of life for residents, support vulnerable people and which enhance community cohesion. Over the last five years, the quality of those services generally has improved from in some areas being one of the worst performing Councils in London to being awarded the title of best achieving Council in the UK in the Municipal Journal awards in June 2011. The Council's key challenge is to maintain and advance its excellent services while managing significant reductions in spending power. The Council's key objectives and priorities are:
- Keeping neighbourhoods clean, green and safe;
 - United and involved communities: a Council that listens and leads;
 - Supporting and protecting people who are most in need; and
 - Supporting our Town Centre, our local shopping centres and business;
- These will help decide how to best allocate our reducing resources. We will do this in strong collaboration with our partners and our communities demonstrating our vision: Working Together; Our Harrow, Our Community.
- 1.5 Harrow is generally a pleasant and prosperous place to live. Recently, however, there have been increases in relative income deprivation and a sharp increase in relative income deprivation of children. Harrow's economy is dominated by public sector employment but with a high proportion of small enterprises, both of which are under great pressure in the current economic circumstances.
- 1.6 The most distinctive aspect of Harrow is the diversity of its population. Harrow is the fifth most ethnically diverse place in England and Wales and the most religiously diverse in the entire country. 78% of the school population have a non-white British heritage showing that demographic change is continuing and will accelerate. The nature and future predictive profile of our borough is a changing one.
- 1.4 In support of the Council's corporate strategy has been the risk management strategy which has evolved to help drive Harrow forward in the knowledge that the key risks we now face, particularly financial, savings and efficiencies risks in implementing the strategy, are being effectively identified, assessed and managed.
- 1.7 Effective risk management is also a keystone of effective corporate governance and the maintenance of a strong control environment. It is at its most effective as an integral part of the Council's key business processes, particularly its business planning, budgeting and performance review processes. Risk management is the process whereby the Council identifies and controls the level of risk attached to its business and service activities that could impact upon the achievement of our objectives. However, the aim of risk management is not to remove all risks, but to understand the nature of risks and to implement controlled, sensible, balanced and cost

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effective measures, to manage risk and achieve objectives within each activity and across the portfolio of all activities. Risk management is not about being 'risk averse,' but about being 'risk aware' and this awareness will mean that the Council and its leadership team is better able to avoid threats and hazards and also take full advantage of opportunities/benefits that arise in the course of our business.

- 1.8 The relationship between risk management and objectives outlined above is shown below in Diagram 1:-

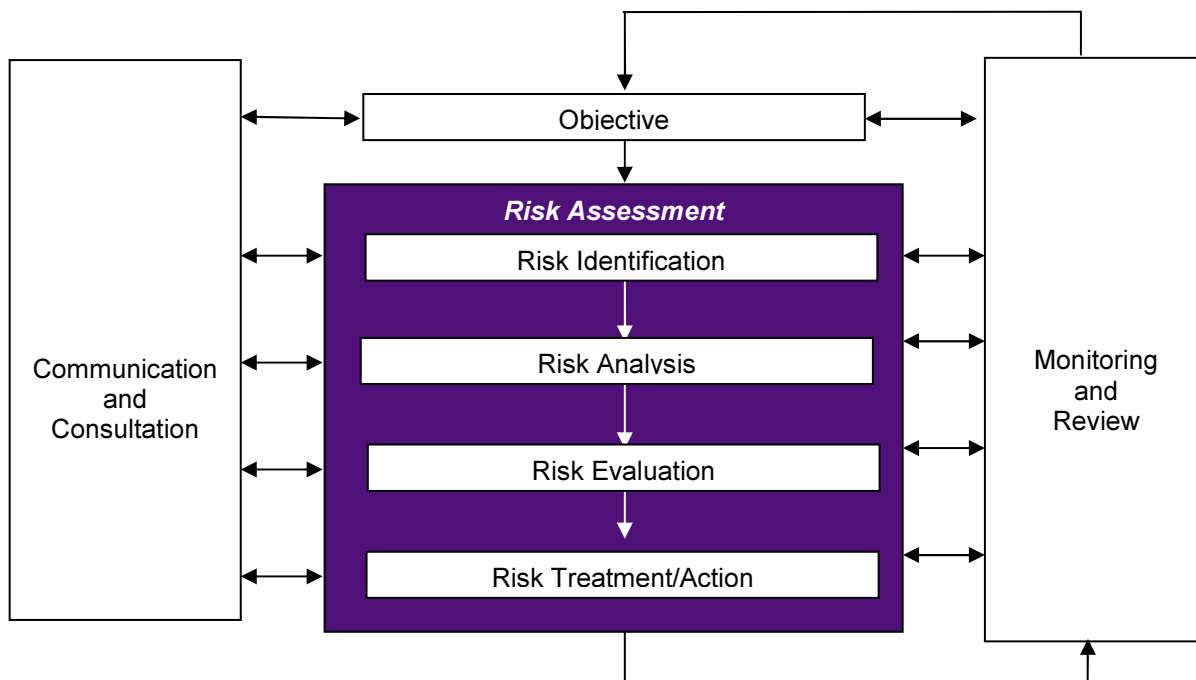
Diagram 1: Risk and Objectives



2. THE RISK MANAGEMENT PROCESS

- 2.1 The risk management process underlying this relationship with objectives above is shown in Diagram 2 below,

Diagram 2: The Risk Management Process



- 2.2 This process ensures that risks are constantly identified evaluated, monitored and managed as part of a continuous cycle within the lifetime of the associated activity.

- 2.3 As mentioned above, risk can also exist at more operational levels as part of the Council's day to day activities and also programmes and project management. At Harrow, and similar to the strategic level, this has already been embedded and integrated into the culture of the Council, with responsibility assigned to managers and staff responsible for the management of risk as part of their individual job profile and performance objectives.
- 2.4 It is also important to note that risk management is a tool whose benefits and use can extend beyond managing risk directly via the operation of risk registers and which can also be used to support managers in decision-making in other activities, such as the basis for allocating their limited resources, designing business processes and for choosing and prioritising what areas of performance are monitored and the level of that monitoring. All directorates and services within the Council are contingent and frequently may not carry the same risk profile and priorities for their focus and action in risk terms.
- 2.5 In seeking to take action, manage and mitigate its risks the Council will have recourse to a number of broad control strategies available to manage those risks. These include:-
- **Tolerate:** The exposure may be tolerable without any further action being taken. Even if it is not tolerable, ability to do anything about some risks may be limited, or the cost of taking any action may be disproportionate to the potential benefit gained. In these cases the response may be to tolerate the existing level of risk. This option, of course, may be supplemented by contingency planning for handling the impacts that will arise if the risk is realised.
 - **Treat:** By far the greater number of risks will be addressed in this way. The purpose of treatment is that whilst continuing within the organisation with the activity giving rise to the risk, action (control) is taken constrain the risk to an acceptable level.
 - **Transfer:** For some risks the best response may be to transfer them. This might be done by conventional insurance, or paying a third party to take the risk in another way. If a risk is transferred, accountability for the management of the risk remains with the Council.
 - **Terminate:** Some risks will only be treatable, or containable to acceptable levels, by terminating the activity. This option can be particularly important in project management if it becomes clear that the projected cost / benefit relationship is in jeopardy.
 - **Take the Opportunity:** This option is not an alternative to those above; rather it is an option that should be considered whenever tolerating, transferring or treating a risk. There are two aspects to this. The first is whether or not at the same time as mitigating risk, an opportunity arises to exploit positive impact. The second is whether circumstances arise, which, whilst not generating threats, offer positive opportunities.

3. OBJECTIVES

- 3.1 The objectives set for this risk management strategy are to: -
- Continuously develop the Council's embedded risk management framework to support the achievement of Working Together; Our Harrow, Our Community
 - Clearly state and communicate to all council officers, managers, partners and residents their risk management responsibilities
 - Promote risk-awareness and risk management throughout the Council and its partners
 - Ensure where appropriate risks are effectively escalated and escalation is timely
 - Manage the corporate risk function efficiently in resource terms with a focus on the customer
 - Manage risk in line with public sector best practice in corporate governance
 - Capture and expand positive risk opportunities
 - Ensure risk management processes are engaging and relevant to all staff
- 3.2 This risk management strategy draws on recognised best practice guidance in risk management in the public sector [such as the Turnbull Report (2005), CIMA and CIPFA guidance] and is supplemented by the Risk Management Guide, available on the intranet at

http://harrowhub/info/200193/risk_management/313/risk_management/2 which provides further detailed guidance on the Council’s risk management processes.

4. RISK MANAGEMENT ROLES AND RESPONSIBILITIES

- 4.1 Although the corporate risk management framework is set and regularly monitored by Members who have ultimate responsibility for it, and the Council Strategic Board (CSB), working in conjunction with the Risk, Audit and Fraud (RAF) Division, core delivery of the approved risk management framework, and of the above related risk management processes, is led by and rests with corporate directors, acting individually and collectively in CSB, and supported by their directorate management teams, or equivalent. The corporate risk management function will work in collaboration, advice, training, challenge and reporting and monitoring terms only to this protocol.
- 4.2 Furthermore, all staff, managers, members at the Council, as well as our partner organisations, have a general responsibility and duty to manage risk as an integral part of their role.
- 4.3 In addition, specific core risk-related/risk-driven support service activities, such as internal audit, health and safety, insurance, emergency business continuity planning, performance management and project management all contribute to the overall corporate risk management process. A summary overview of responsibilities for risk management at the Council is outlined below:-

Diagram 3: Overview of Risk Management Responsibilities

RISK STRATEGY ACTIVITY	COUNCIL GROUP/TEAM/OFFICER					
	Develop the Corporate Risk Management Strategy	Agree the Corporate Risk Management Strategy	Provide Advice, Training and Support on the Strategy	Implement the Strategy	Share experience of risk management issues	Review the effectiveness of the Strategy
Cabinet		●				●
GARM Lead Member				●	●	●
CSB	●			●	●	●
Council Risk Champion			●		●	●
Corporate Directors	●			●	●	●
Directorate DMTs			●	●	●	●
Hds of Service/Service Managers			●	●	●	●
Improvement Boards				●	●	
Programme & Project Boards				●	●	
Council Committees/Boards/Groups				●	●	
Partnerships & Large Contracts					●	
GARM			●		●	●
Risk Manager	●		●	●	●	●
Support Services	●		●	●	●	●
CRSG & Risk Champions			●		●	●
Council Staff				●	●	
Harrow Residents					●	

(Model source: CIPFA; Risk Management in the Public Services 2001)

- 4.5 A more detailed breakdown of these responsibilities is attached at Annex A.
- 4.6 Whilst the management of risk at different management levels within the Council will vary in terms of focus and level of formal analysis, in order to ensure further to good practice that “a common language is spoken on risk across the organisation” (Turnbull Report 2005), it is important that consistency and clarity of risk information is achieved on risk registers.
- 4.7 For this reason, the mandatory adoption of a standard risk register format or where appropriate a risk action plan is required. The standard risk register template, which covers both the corporate and directorate risk registers, is maintained on an Excel format, and is provided in the Risk Management Guide available on the intranet and is also attached at Annex C. It is to be noted that the former strategic risk register is now in the process of being merged into the former corporate operational risk register to form a single new unified corporate risk register in the standard risk register template.
- 4.8 Managers, project managers and partners, whilst retaining the ‘core’ information, may adapt the standard risk register (for example adding additional fields such as risk category and/or proximity, etc), where justified by business or project need. However, more substantive revision to the standard risk register format must be referred to the Risk Manager within the RAF Division in the Chief Executives directorate, who will advise on the proposed changes and how they fit within the Council’s overall risk framework.

5. RISK APPETITE AND DELEGATED RISK APPETITE

- 5.1 The amount of risk, at the strategic level, the Council’s and its leadership team is willing to take on, accept, tolerate or be exposed to, in the pursuit of its objectives, is known as its risk appetite.
- 5.2 Risk appetite and delegated risk appetite is expressed in terms of boundaries, which give clear guidance at each level (strategic, programme, operational and project) on the amount of risk exposure they can take before action is necessary.
- 5.3 The amount of risk that the Council is willing for the programme, operational and project level to tolerate is known as the delegated risk appetite (also known as risk tolerance level - the threshold level of risk exposure).
- 5.4 The Council maintains an effective control framework designed to manage risks. Any risks that are an unacceptable exposure to the Council are mitigated as far as possible. Where a proposed activity or venture has a residual risk that is considered unacceptable and there is no means of reducing the risk to an acceptable level the activity may be rejected. However there may be occasions where there is a statutory obligation to undertake the activity despite the risk exposure. There will also be occasions where, in entrepreneurial terms, it will be appropriate to take measured levels of risk, in furtherance of the Council’s business and service objectives. Where it is feasible and cost effective to do so, the financial impact of risks may be minimised by insurance or other third party indemnities.
- 5.5 Risk appetite is normally reviewed annually, is not static and can be adjusted by the Cabinet with supporting advice from the Corporate Strategic Board (CSB).
- +
- 5.6 In deciding the risk appetite and delegated risk appetite (risk tolerance levels), Cabinet considers:
- Environmental and wider macro-economic factors, including current government required reductions in budgetary spending
 - The Council’s funding levels and its overall capacity to bear risk.

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- The areas/directorates within the Council that have an expertise and skill-set for taking risk and vice versa.
 - The amount of risk that is acceptable (what risk could be justified if it actually happened).
- 5.7 The Cabinet has set the Council's risk appetite and delegated risk appetite as **C2+** (significant likelihood x critical impact). This means that any risks with a risk register risk ranking of C2 or more (red risks-see Risk Escalation and Reporting section below) must be escalated to the next management level for action and discussion, as part of normal risk reporting, e.g. department to division, division to directorate, improvement boards to directorate, project risks to project or programme boards.

6. RISK ESCALATION AND REPORTING

Risk Escalation

- 6.1 A key element to effective risk management is on-going vigilance and the communication and escalation of risk information to the appropriate management level. The framework for the reporting and escalation of risk within the Council is based on the organisational structure and normal reporting lines and which also recognises the increasing role of Harrow's residents. Programmes and projects can ensure communication by reporting and escalating risks to their respective Boards/Committees through the appropriate channels.
- 6.2 Risk escalation is based on the following key principles:
- **Escalation needs to be managed.** It is not sufficient to simply escalate a risk to the next management level. It is important that when a risk is escalated, it is reassessed as to its impact on the achievement of objectives at that next level.
 - **All Directors, managers, staff and residents are empowered to escalate.** Importantly, escalation should not be seen as a failure. Escalation is a tool to ensure that risks that cannot be resolved at one level are relayed to the next level to ensure that every effort is made to mitigate the risk.
 - **Escalation needs to be timely.** It is important that risks are escalated early and in good time to affect a resolution.
 - **Escalation should be documented.** It is important that all risks are recorded, where appropriate, in risk registers or risk action plans. Any verbal escalation should be followed up with written or email documentation detailing the risk and retained.
- 6.3 Once escalated, the next management level becomes alerted to the risk, reassesses the risk as to its impact on the achievement of objectives at that next level and takes appropriate action. This may mean:
- managing the risk directly
 - changing the activity; or
 - adjusting the level of risk they judge suitable for the level below to manage.
- 6.4 When escalating risk, the impact may be lower, due to the wider range of priorities and high level objectives considered. Alternately, the risk may be incorporated into an existing risk if it is related to that risk, or the controls in place to treat the risk would also mitigate / treat the escalated risk. Risk escalation is thus an important tool for ensuring that risks are known and understood by the council officers with the authority to appropriately manage them.
- 6.5 Escalating risk does not always delegate the management of risk upwards. Risks can sometimes be de-escalated if management feel there are appropriate resources to mitigate the risk at the lower level. Generally, this follows discussion and agreement between Managers/Directors in relation to the appropriate level of decision making to manage the risk. The escalation and de-escalation of risk involves discussion and agreement between Managers/Directors in relation to the appropriate level of decision making to manage the risk.
- 6.6 Once evaluated and assessed by the appropriate managers or risk owner, any risks with a risk register risk ranking of C2 or more (ie red risks) must be escalated to the next management level

for discussion, as part of normal risk reporting, e.g. department to division, division to directorate, improvement boards to directorate, project risks to project or programme boards.

6.7 Further detailed guidance for officers on assessing and evaluating risks can be found in the Risk Management Guide available on the intranet.

Risk Reporting

6.8 On a quarterly basis each corporate director, or duly delegated officer, updates any corporate risks owned by them, or their directorate, which are stated on the corporate risk register, including newly emergent risks. This occurs via one-to-one meetings with the Risk Manager just prior to the Performance Morning meetings of CSB where the above corporate risks are collectively discussed.

6.9 Normally, only the corporate risk register, containing only corporate risks, is reported quarterly to CSB. However, any corporate director can request that any other risk, eg corporate, directorate, project or partnership risk, or any risk matter, or risk analyses, can be discussed or asked for in a CSB context.

6.10 In addition, a high-level strategic summary report is currently being developed, which will report to CSB, alongside the corporate risk register on quarterly basis, the overall risk position, trend and exposure of corporate risks. An in principle representation of this report is attached at Annex D. The purchase and use of a software system to produce this and similar risk reports is also currently being explored by the Risk Audit and Fraud section.

6.11 In seeking to designate a risk corporate in nature, and therefore to be monitored and reported to CSB for action, officers should consider a number of factors. For example:-

- Is the risk concerned corporate and cross-cutting in nature (ie a strategic risk)
- Is the risk concerned a business-critical risk fully justified in business planning, budgetary process and service delivery terms
- If a directorate risk, is it otherwise sufficiently serious to be discussed at CSB level
- Is it appropriate for the risk, or would it require, or benefit from, being discussed in the collective forum of CSB, eg CSB agreed and collective action is necessary for any mitigation.
- Is the risk free standing or should it be allied or aggregated into an existing risk?
- Does the risk increase the significance and threat of other risks or otherwise significantly or disproportionately increase the cumulative level of risk being taken by the Council
- Is the risk an emerging corporate risk (ie a new risk not yet captured in the corporate risk register) in the above terms

6.12 It is important to ensure that the number of risks being discussed at CSB is sufficiently few (but critical in risk terms) to avoid information overload on risk and to ensure CSB discussion and action is sufficiently strategic and targeted where it is most needed.

6.13 It is expected also that at directorate level, the directorate risk register, with an emphasis on red risks, will be reported quarterly and monitored for action by the directorate DMT, or equivalent, and this will often be in the forum of Improvement Board meetings and reporting.

6.14 Directorates should also seek to apply the same principles outlined above but in directorate terms, so that the following factors are considered in designating a risk directorate in nature:-

- Is the risk concerned a business-critical risk to the directorate fully justified in business planning, budgetary process and service delivery terms
- If a divisional or service risk, is it sufficiently significant to be discussed at DMT level

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- If a divisional or service risk, does it require, or would it benefit from, being discussed in the collective forum of DMT, eg DMT agreed and collective action is necessary for any mitigation.
 - Is the risk free standing or should it be allied or aggregated into an existing risk?
 - Does the risk increase the significance and threat of other risks or otherwise significantly or disproportionately increase the cumulative level of risk being taken by the Council
 - Is the risk an emerging directorate risk (ie a new risk not yet captured in the directorate risk register) in the above terms
- 6.15 Likewise it is important to ensure that the number of risks being reported to DMT is sufficiently few (but critical in risk terms) to avoid information overload on risk and to ensure DMT discussion and action is sufficiently strategic and is targeted where it is most needed.
- 6.16 This principle should also be extended to reporting risks within a programme/project framework, including on the VERTO system, by reference to how critical/key it is to the achievement of project outcomes and objectives. Guidance on project risk management is provided in the Harrow Council Project Management guide on the intranet at http://harrowhub/downloads/file/2319/project_management_toolkit.
- 6.17 It is expected that divisional directors will maintain divisional risk registers relating to their functions/services and that these are reviewed and updated at least on a quarterly basis. The maintenance of team/departmental risk registers on the same basis by service managers whilst good practice is optional.
- 6.18 It is to be noted that notwithstanding these arrangements, and in conjunction with the Assistant Chief Executive and the RAF Divisional Director, that any significant or serious risk, or risk related issue, demanding immediate attention or action, will be “flash reported” to relevant and responsible officers of the Council.
- 6.19 In addition to the above, a range of meetings/forums involving deliberative groups are currently held within the Council that provide the opportunity for regular discussion of risks, including directorate, cross-cutting risks and risks with partners (internal and external). These include the Corporate Leadership Group and Commissioning Panels.
- 6.20 Corporate directors, directors, divisional directors, service managers and programme/project managers are therefore responsible for ensuring that processes are in place to provide opportunities to regularly discuss and capture those risks, cross cutting risks and risks with partners that impact upon objectives. At a minimum, risks should be discussed and formally documented on a quarterly basis.

7. RISK MANAGEMENT RESOURCE

- 7.1 Sufficient resources are devoted to risk management to ensure that it is organisationally effective and co-ordinated.
- 7.2 At Cabinet level the risk management process is supported and actively promoted by the GARM Lead Member as Member Risk Champion of the Council. The Asst Chief Executive as Council Risk Champion acts in support of the above Member Risk Champion by leading, promoting and embedding risk management corporately across the Council.
- 7.3 The Risk Manager, working in close collaboration with the Internal Audit Services Manager, reports to the RAF Divisional Director who reports to the Assistant Chief Executive and is supported centrally by colleagues from the Risk, Audit and Fraud team.
- 7.4 At Directorate level the risk management process is supported and actively promoted by a network of directorate and divisional risk champions who meet collectively as the Corporate Risk Steering Group (CRSG) chaired by the Asst Chief Executive as Council Risk Champion. The group consists of representatives from across the Council who meet to co-ordinate, network and share experience on risk management issues. The Group also exercises a review and challenge function on corporate risks. Membership reflects the risk profile of the Council and the strategic,

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operational and risk management context within which the Council operates.

- 7.5 CRSG actively champion risk management as a key activity and responsibility of all staff in the Council and assist the Council in embedding and enhancing the risk management process. It also provides challenge on the robustness of the corporate risk register and the adequacy of controls to mitigate the risk.
- 7.6 Other specialist risk-related disciplines such health and safety, insurance, emergency & business continuity planning and performance management all closely contribute to the council's risk management process.

8. OWNERSHIP AND RESPONSIBILITY FOR RISK MANAGEMENT

- 8.1 It is important that Risk Management is integrated into the culture of the Council and led and owned at executive member level, senior management, with responsibility for the management of risk further delegated and assigned to individual council managers and staff as part of their individual job profile and performance objectives.
- 8.2 The Cabinet acting in conjunction with the GARM Lead Member are responsible for the agreement and approval of policies and plans relating to risk management and have ultimate responsibility for it.
- 8.3 The Governance, Audit and Risk Committee (GARM), further to good corporate governance practice, supports and advises the Cabinet by monitoring and annually reviewing the Council's risk management arrangements.
- 8.4 The Corporate Strategic Board (CSB), comprised of the Chief Executive and Corporate Directors, is responsible for considering the key finance and performance standing of the Council, including strategic and corporate operational risks.
- 8.5 The Divisional Director of Risk, Audit and Fraud (RAF) reports directly to the Assistant Chief Executive and has direct operational responsibility for the management of the corporate risk management function as part of the RAF Division. The RAF Division provides expertise/specialist support and advice to the Council relating to corporate risk management and its closely related activities, particularly the internal audit function, and also including health and safety, business continuity/emergency planning, corporate anti-fraud and information governance.
- 8.6 The Risk Manager reports to the RAF Divisional Director and is responsible for ensuring that the Council, its Directorates, services and staff are supported and engaged in the development, implementation and review of the Council's risk management strategy framework.
- 8.7 The Corporate Risk Steering Group (CRSG) support and review the risk management strategy and related guidance as detailed in its terms of reference. As mentioned above, CRSG is chaired by the Assistant Chief Executive and facilitated by the Risk Manager and its membership comprises a representative cross-section of staff with dedicated and specialist risk responsibilities and who share experience at the Council on risk management.
- 8.8 A full list of the formal and specific risk management roles and responsibilities are provided at Annex A. Notwithstanding this, all members, managers and staff at the Council have an indirect, if not a direct responsibility, to manage risk as an integral part of their role so as risk awareness and management is integral to the culture of the Council.

9. PERFORMANCE MANAGEMENT

- 9.1 The effectiveness of the risk management function is reviewed on an on-going basis by CSB and also as outlined above its effectiveness is annually appraised and evaluated by GARM, who also closely monitor and challenge activities and progress in-year on a quarterly basis. Risk management is also regularly audited against public sector best practice by internal audit.

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- 9.2 The views of key stakeholders and internal customers in the risk management function, particularly corporate directors and the CRSG, are regularly sought. The risk management process will be continuously improved in line with this feedback.

10. RISK MANAGEMENT SUPPORT, GUIDANCE AND TRAINING

- 10.1 This strategy and supporting risk management guidance, templates and tools is available on the Council's intranet.

General Support

- 10.2 Support on the content of this strategy and the Risk Management Framework is available through directorate Risk Champions and/or the Corporate Risk Manager. Contact details are available on the Council's intranet. Specialist support and advice on risks around health & safety, information management, fraud, and business continuity/emergency planning, including the transfer of risk through insurance arrangements and risk-based audits/reviews is available from the RAF Division. Contact details are available on the Council's intranet.

Training Events / Materials

- 10.4 The RAF Division delivers management training courses and materials to assist and support staff in risk management across the Council. Information on these courses and materials is available from the Risk Manager. Risk management courses are accessed via the Harrow Council e-Learning Portal at <http://www.learningpool.com/harrow/>, or via Coursebooker at <https://cb.learndev.ad.capita.co.uk/HarrowSSL/desktopdefault.aspx>.

11. REVIEW AND CONTROL

- 10.1 This strategy will be subject to regular review (at least annually) with any changes reflected in related guidance, training and tools as appropriate,

Detailed Risk Management Responsibilities

Annex A

Position	Role / Responsibilities
Cabinet	<ul style="list-style-type: none"> • Formally and annually approve the Council's Risk Management Strategy • Provide leadership on and champion risk management • Consider the strategic risks associated with the decisions taken. • Monitor the Council's risk management arrangements, including via the Council's strategic performance and audit reports. • Assess risks in Cabinet reports and provide challenge, where necessary.
GARM Lead Member	<ul style="list-style-type: none"> • Promote, support and co-ordinate risk management at Member level ensuring a positive attitude toward the understanding and treatment of risk at the Council
CSB	<ul style="list-style-type: none"> • Develop, implement and review the Council's risk management strategy • Seek assurance at least annually that all risks comprising barriers to achievement of the Council's strategic objectives [the Corporate Plan] have been identified and accurately assessed and are being managed • Seek assurance at least annually that all directorates are appropriately complying with the Council's risk management policies and framework
Corporate Directors	<ul style="list-style-type: none"> • Take personal responsibility for managing risk, including both negative threat risks and positive entrepreneurial/opportunity risks • Manage the strategic risks associated with their directorates, including those crossing business, service or directorate boundaries • Escalate and report risks, as appropriate, quarterly for consideration and action by CSB and the corporate risk management function • Ensure that a formal risk assessment is conducted each year for their directorate (as part of the business and budget planning process) and any risks that impact upon the achievement of objectives are captured • As required, as a part of their delegated authority, manage the risks associated with their budget allocation and Service Plan • Seek assurance that a risk-aware culture is appropriately and thoroughly embedded in their directorate and all staff • Ensure arrangements are in place for partnership and contract activities where risks are shared, so that: risks are identified and captured and joint risk registers are in place and risks are regularly monitored and risk ownership allocated • Nominate and provide advice to a directorate risk champion(s) on key risks to the Directorate's objectives for reporting to Improvement Boards • Review their Directorate risk register(s) each quarter • Comply with the Council's strategy, policies and framework on risk
Directorate Management Teams, or Equivalent	<ul style="list-style-type: none"> • Collectively support and contribute to their Corporate Director and risk champion(s) discharge of their risk management responsibilities • Make arrangements for continuing to embed risk management and a risk aware culture throughout their respective directorates • Ensure risk is regularly reported (at least quarterly) to their Corporate Director and at Improvement Boards • Maintain and review directorate risk register(s) on a quarterly basis
Hds of Service & Service Managers	<ul style="list-style-type: none"> • Accept responsibility for managing risk as a core managerial competency • Manage the risks associated with their area, including those crossing area boundaries within their Directorate and their delegated budget allocation and service plan responsibilities • Ensure a risk register is in place for any business or project related risks and the risk registers are reviewed at least quarterly • Compliance with risk policies and ensure staff are trained in risk management • Encourage staff to raise risks and send a message to staff that escalated risks

Position	Role / Responsibilities
	will be evaluated and acted upon if necessary <ul style="list-style-type: none"> Promptly advise senior managers of significant identified risks

Position	Role / Responsibilities
Improvement Boards	<ul style="list-style-type: none"> Review and discuss risk exception reporting Discuss and review Directorate risk register(s), as necessary Where appropriate, escalate risks for discussion and consideration by CSB for inclusion on the Strategic or Corporate Operational Risk Register.
Programme and Project Boards	<ul style="list-style-type: none"> Review and update risk registers/action plans. Escalate any risks that exceed the delegated risk appetite to the next level. Provide a copy of the updated risk register/action plan to the Risk Manager.
Other Council Boards, Panels, Steering Groups & Committees	<ul style="list-style-type: none"> Produce a written Terms of Reference which requires risks to achieving Board/Committee/Panel/Group objectives, or opportunities to accelerating or enhancing achievement, to be identified, assessed, managed and reported by the Board/Committee/Panel/Group
GARM	<ul style="list-style-type: none"> Monitor, advise and report to Cabinet, at least annually, on the effectiveness of the Council's overall risk management framework and arrangements Quarterly review the Council's key of risks to ensure these are being adequately managed
Organisational Partners	<ul style="list-style-type: none"> Ensure that appropriate arrangements are in place to manage partnership related risks. Actively manage risks within the partnership and participating in the regular update and maintenance of a joint partnership risk register. Report on risk management issues to the respective partnership board. Show a clear link between objectives and outcomes that is customer focused.
Risk Manager	<ul style="list-style-type: none"> Engage, monitor and challenge in on-going terms the Council and its staff on key risk management issues, Oversee, monitor and report compliance with the Councils risk management framework and policies Develop the risk management strategy and related guidance, templates Provide tools, training/awareness and materials in support of risk champions and council staff Be a central and professional point of contact on risk management, creating alliances/liaisons with council staff, corporate directors and directorate risk champions to support them in their risk roles Lead on quarterly corporate reporting of risk management to CSB Undertake ad hoc risk assessments
Council Risk Champion	<ul style="list-style-type: none"> Promote, support and co-ordinate risk management across all levels of the Council ensuring a positive attitude, understanding and treatment of risk
Risk Champions	<ul style="list-style-type: none"> Promote, support and co-ordinate risk management within their Directorate including providing guidance to staff across within their Directorate Participate in the Corporate Risk Steering Group Maintain hold their respective Directorate risks registers (commissioning and collating contributions from all parts of their business) Provide quarterly risk reports to the appropriate Improvement Boards Provide challenge on the content of Directorate risk register and scrutinise the effectiveness of controls (in place, planned or underway) to mitigate risks and enable value adding feedback to Risk Owners and Risk Control Owners Attend risk related training/awareness, as required Provide copies of their risk registers to the Risk Manager each quarter
All Council Officers	<ul style="list-style-type: none"> Raise/escalate any risks identified or considered are not being sufficiently addressed or directly to the appropriate Directorate Risk Champion

Appendix 1

Position	Role / Responsibilities
	<ul style="list-style-type: none">• Maintain vigilance and a risk-aware attitude of mind at all times
Residents	<ul style="list-style-type: none">• Raise any risk concerns considered not being sufficiently addressed by the Council, via your local statutory, residents, activity or consultative group(s), or through your councillor or other elected representative• Maintain vigilance and a risk-aware attitude of mind at all times

Risk Reporting Cycle

Annex B

Author	Risk Report/Output/Analysis	Distribution	Frequency
Cabinet	Approval of Risk Management Strategy	CSB	Annual
Risk Manager	As required, facilitate a formal Corporate Risk Assessment (CSB level) and Operational Risk Assessments (at the Directorate, Divisional and Team levels as part of the annual business and budget planning process.	CSB	Annual
Chief Executive	Sign off the Corporate Risk Register. Review and approve the Annual Governance Statement (AGS)	CSB, Risk Manager, GARM	Annual
GARM	Evaluation of Risk Management Arrangements Approve Draft (risk-based) Internal Audit Plan Approve Final AGS	Cabinet, CSB	Annual
Corporate Governance Group and Internal Audit	Approve Draft AGS	GARM	Annual
Corporate Directors/DMTs	Directorate Risk Assessment to create directorate Risk Register	DMT, Dir. Heads of Service, Risk Manager	Annual
Improvement Boards	Review directorate risk registers and escalate any issues to CSB	CSB	Quarterly
Internal Audit	Draft (risk-based) Internal Audit Plan Draft AGS	GARM	Annual
CSB	Review & discuss risk exception reporting Consider CRSG recommendations. Review and approve updates to the corporate risk register Review high-level risk report Approve new risks to and/or risks to be removed from the corporate risk register.	Corporate Directors, Risk Manager, CRSG	Quarterly
Corporate Directors/DMTs/Improvement Boards	Review & update of Dir. Risk Register Escalate any risks that exceed the corporate and delegated risk appetite or have a corporate impact to CSB for inclusion on corporate risk register	CSB, DMT, Dir. Heads of Service, Risk Manager	Quarterly
Programme/Project Managers	Review/ update programme and project risk registers and Risk reports	Programme/Project Board	Quarterly & Ad Hoc

	Risk Report/Output/Analysis	Distribution	Frequency
Internal Audit	Provide a full/summary copy of corporate risks as appropriate	GARM, Cabinet	Quarterly
CRSG	Share experience on risk Review and challenge of the corporate risk register, eg in areas of ratings and controls. Provide recommendations to CSB for update and discussion of the corporate risk register related issues	CSB, CRSG, Risk Manager	Quarterly
Harrow Strategic Partnership Board (HSP Board)	Review and discuss risk exception reporting Review and update the joint strategic HSP risk register, as necessary.	Harrow Strategic Partnership Board (HSP Board)	Quarterly
Partnership Development & Performance	Assist Harrow Strategic Partnership (HSP) Management Groups' with the quarterly update of their risk registers. Provide quarterly risk exception reports on HSP Management Group risks to HCE. Provide a summary/full version of HSP Management Groups' risks to HCE, as necessary.	Harrow Strategic Partnership (HSP) Management Groups' HCE HCE	Quarterly
Harrow Chief Executives (HCE)	Review and discuss HSP Management Groups' risk exception reporting. Discuss and review HSP Management Group risk registers, as necessary	Harrow Chief Executives (HCE)	Quarterly

RISK REGISTER

Review Date:

Next Review Date:

Risks

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

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<i>LIKELIHOOD</i>				
A Very High				
B High				
C Significant				
D Low				
E Very Low				
F Almost Impossible				
<i>IMPACT</i>	4 Negligible Impact / Benefit	3 Marginal Impact / Minor Benefit	2 Critical Impact / Major Benefit	1 Catastroph ic Impact / Exceptiona l Benefit

Standard Risk Register Template

Annex C (Cont'd)

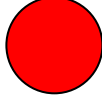
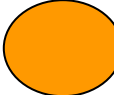
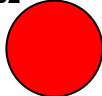

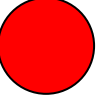
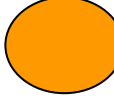
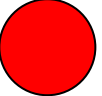
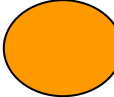
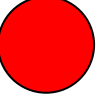
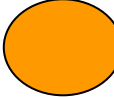
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Risk No.	Objective No.	Risk Description	Controls (in place and effective)	Risk Rating This Qtr (after controls)	Risk Rating Last Qtr	Controls (underway or planned)	Control Owner(s)	Target Risk Rating	Target Risk Date	Risk Owner
		<i>Risk (Event)</i>				<i>Further actions</i>				
		<i>Cause(s)</i>								
		<i>Consequence(s)</i>				<i>Contingencies</i>				

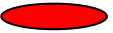
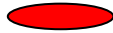


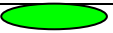
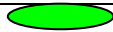
High-Level Strategic Summary Report

Annex D

CSB HIGH LEVEL SUMMARY REPORT - [WIP EXTRACT/SAMPLE]

Risk No	Key Risk	Risk Rating	Control Strategy	Key Controls	Control Progress	Control Indicator
COR 18	Disruption to services to children due to CS directorate reorganisation	B2 	Treat	Robust project management & casework operational continuity plan in place Extensive pre-consultation on reorganisation model Fundamental of the model is that children will not be placed at risk Reorganisation roll-out is piloted/phased to reduce risk and disruption Planning/synchronization with corporate timetable and support Further consultation, e.g. with partners	75% complete	
COR 5	Successful legal challenge of a Council decision	B2 	Treat	Legal review & clearance of Member reports. Monitoring officer File reviews. Voluntary transparency notices Legal training for DMTs and MDP in relation to decision-making. Legal input into projects. Procurement & contract management strategy	65% complete	
SRR 2	Failure to deliver a balanced budget and medium term financial plan	B2 	Treat	Rigorous budget monitoring and reporting Challenge panels & 3 year financial plan (revenue and capital) Savings targets (with sanctions if necessary) set for all directorates Capital Forum & capital overspend improvement plan Member involvement throughout budget process. Clear Comms. Strategy	65% complete	
SRR 4	Ineffective Partnership working	C2 	Treat	Health & Well-Being & Clinical Commissioning Boards. Review of HSP Mgm. Groups. Regular HCE Group meetings & Updated HSP Governance Handbook Joint working PCT/LBH, BD4R, police. Sustainable Community Strategy	60% complete	
SRR 9	Damage to council reputation	C2 	Treat	Whistle-blowing policy. Member's Code of Conduct & Member Development Communications Strategy, Consultation Strategy Media training for senior members, chief officers and key staff Communications Team Business Continuity Plan. Branding guidelines & templates, fact sheets Liaison and partnerships with community and volunteer groups. Corporate Balanced Scorecard & involvement Tracker	80% complete	

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RISK INDICATOR		CONTROL INDICATOR	
	Risk Increasing	No Progress On Controls (or No Controls)	
	Risk No Change	Progress Made on Control Implementation	
	Risk Reducing	All Controls Implemented	

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**REPORT FOR: GOVERNANCE, AUDIT &
RISK MANAGEMENT
COMMITTEE**

- Date of Meeting:** 6 September 2011
- Subject:** **INFORMATION REPORT – Civil Contingencies Team (Emergency Planning & Business Continuity) Activity Update Report**
- Responsible Officer:** Tom Whiting, Assistant Chief Executive
- Exempt:** No but with Part II Appendices. Appendices 2-4 to the report is exempt. The report contains information relating to paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial and business affairs of any particular person (including the authority holding that information)
- Enclosures:** Appendix 1: Governance Audit and Risk Management Committee - Emergency Planning Update (28 June 2011)
Appendix 2: Business Continuity, Telephone Cascade Test (23 Nov 2010) (Exempt)
Appendix 3: Exercise Brisbane, Briefing Note (7 July 2011) (Exempt)
Appendix 4: CSB For Information Report, Bomb Threat (27 July 2011) (Exempt)

Section 1 – Summary

This report sets out the recent activity of the Civil Contingencies Team, which includes Emergency Planning, Business Continuity and Civil Protection, as defined by the Civil Contingencies Act 2004.

FOR INFORMATION

Section 2 – Report

Introduction

The Civil Contingencies Team, also known colloquially as the “Emergency Planning Team”, is one of six distinct teams that sit within the Risk, Audit & Fraud Division of the council.

The Civil Contingencies Team is a small, but effective unit of three staff. The team provide a corporate service delivering Emergency Planning, Business Continuity, and Civil Protection, as defined by the Civil Contingencies Act 2004; and is the Counter Terror link with the Police Service and HM Government.

This report will provide an activity update on each of these areas, and in particular Business Continuity, as requested at the last GARMC meeting on 28th June 2011.

Business Continuity

Background and process

The council’s Business Continuity plans and ethos are firmly embedded in the council. In order to explain the current issues, risks, and deliverability, it is useful to explain the background and process that led us here.

The council’s approach to Business Continuity was based on the British Standard BS25999 ‘bottom – up’ process. The ‘bottom – up’ process began in 2006, with Business Continuity workshops being delivered to service managers (and similar grades) to identify and classify the council’s essential and critical services. Over 130 key service areas were identified.

During 2007, Business Continuity training sessions were held with divisional directors (and similar grades) to develop Business Continuity plans for the key service areas within their divisions. From these Business Continuity plans, key infrastructure and IT requirements were identified.

In 2008, table top exercises were held to simulate a major incident occurring, such as fire, flood or explosion; and to practice the response of individual departments, to see if their Business Continuity plans were viable, and to test the corporate response to infrastructure and IT demands. The key learning

point identified was the dependency on IT, and in particular the 34 key IT applications, out of the council's 200 plus legacy IT applications.

During 2009, the 34 key IT applications that had been identified were taken into account as part of the IT Disaster Recovery project, and the wider 'LBH Anywhere' proposal. This was going to provide a credible Business Continuity response to a major incident occurring.

The council now has Business Continuity plans for all its key 37 departments. These were reviewed, refined and tested at director level. The departmental Business Continuity plans now feed into a corporate Business Continuity plan, an overarching plan for the whole council. The end had been reached to the 'bottom – up' process.

As part of the corporate Business Continuity plan, arrangements were made for key staff to be deployed to a remote location, in the event of a major incident occurring at the civic centre complex. These key staff were identified through a series of table top exercises: 280 key staff were identified in total, with 150 being allocated seats at the remote site known as 'relocators', and 130 being expected to work from home or another location being known as 'isolators'. This plan was physically tested during a live exercise in 2010, with key managers driving to the remote site and setting up as if dealing with a real incident.

Risks and weaknesses

One of the key dependencies of the overarching business continuity plan is the provision of IT disaster recovery (DR) which has been identified through workstreams which commenced in 2009.

There are already some arrangements in place to meet this requirement (including an annual DR test) and a comprehensive range of improvements have been developed to ensure resilience and recovery capabilities as part of the new Capita IT contract.

One of the main projects to support this is the migration of the council's IT applications to the Capita West Malling site, which is due to commence in September on a phased programme which will be completed in April 2012.

There is a continuing risk until this project is complete although the wider business continuity plan takes this into account and the risk is no greater than it has been historically over a number of years.

Deliverability of the plans

The council's corporate Business Continuity plan and 37 departmental Business Continuity plans are tested and reviewed on an annual basis. The plans are workable and are amended to reflect any staff or structural changes.

As the improvements in IT DR capability are delivered this will significantly enhance business continuity resilience across all council services.

HR issues

The council's 37 departmental Business Continuity plans take into account three generic issues to plan for: non-availability of ICT, denial of access to the building, and reduced staff attendance.

Reduced staff attendance is the main HR issue that Business Continuity planning takes into account. This planning takes place because lower staff attendance could happen for a number of reasons, e.g. severe weather, travel disruption or influenza pandemic. During the recent influenza pandemic during 2009, extensive planning was conducted with managers and HR to ensure Business Continuity plans were in place to deal with staff absence rates of 25% and 40%.

Communications issues

The main communications issue during a Business Continuity incident is the ability to communicate with all staff in a timely and effective manner. During a major incident we may not have access to the building or be able to use ICT, so Business Continuity plans have been developed and tested to ensure that key messages can be given to staff.

Each manager of a service has as part of their Business Continuity arrangements, a staff contact list, including personal and home telephone numbers. These arrangements were made in consultation with HR and the trade unions, to ensure that these contact details were only used in an emergency or during the annual test.

We test these communications arrangements each year as part of the Business Continuity Phone Cascade Test in November. The test is carried out of hours on a non-specified date. We initiate the test by contacting Corporate Directors, who in turn call their Divisional Directors, who call their Service Managers, who then contact their staff members.

For the past two years we have included the Leader of the Council, Group Leaders, and their Deputies, so that elected members are included in the process; so make sure Democratic Services have your up to date contact details.

Disaster Recovery

As mentioned before, this is our biggest area of concern. All the work has been done to identify which IT applications are critical and the timescale that they are required to be reinstated. The decision to outsource took longer to bring about which in turn affected the decision on how to deliver the IT Disaster Recovery arrangements.

Emergency Planning

Since our last report to GARMC on 28th June 2011, we organised and hosted our annual Emergency Planning training exercise, 'Exercise Brisbane', at Churchill Place. Exercise Brisbane was held on the 7th of July, with over 50 officers from the police, fire, ambulance, health service, health protection, red

cross and Harrow Council in attendance. The main objective was to practise our resilience work with multi-agency partners.

The scenario involved a local fire, with acetylene cylinders, necessitating the evacuation of local residents to a council run temporary 'Rest Centre'. A rest centre was set up at Churchill Place where council Emergency Response Officers and volunteers practised their drills in registering displaced people, making provision for their needs, providing refreshments and arranging for their onward accommodation. The day went well, with Michael Lockwood sending a personal thank you to our team.

On the 14th of July, we participated in the West London Sub Regional Resilience Forum's Major Accident Pipelines Emergency Plan Exercise. This was hosted by the London Borough of Hillingdon and attended by multi-agency partners including the police, fire, ambulance, health service, health protections, red cross and West London council officers.

For your diaries, in December, we will be delivering annual training to Elected Members on their role during a major incident, as part of the Member Development Programme. This is something members have asked for, although three members attended in 2009 and ten members in 2010.

This year it will be held on the evening of Thursday 8th December 2011, starting at 7:00pm, in the Members Lounge. Please put this date in your diary and encourage your colleagues to attend. Members have an important role to play during a major incident, and it is important that you receive your annual refresher training.

Civil Protection

Since our last report to GARMC on 28th June 2011, a bomb threat was made and subsequent evacuation of the civic centre carried out. On the afternoon of Tuesday 19th July 2011, a bomb threat was made to the Civic Centre. The call was received in Access Harrow, Security was informed and the Police called.

The civic site was evacuated and a cordon placed around the site. The Bomb Squad attended from Brixton. The all clear was given by the Police and staff returned to the building. Facilities Management invoked the evacuation procedure, but there was some initial confusion amongst some staff.

Overall the incident was handled well as all staff were evacuated. However, there were some key learning points to improve our future response. CSB requested us to write a report on the incident and key learning points. Following this report to CSB we are now assisting Facilities Management in improving their evacuation procedure. The Assistant Chief Executive has been keeping the Leader of the Council informed of the developments.

We have been assisting the Chief Executive during the 'London Riots' that started on 6th August 2011, by attending strategic partnership meetings with the Leader of the Council and opposition Group Leader, and also tactical

deployment meetings with the Police and key council services, during this period of public disorder.

Section 3 – Further Information

There will be further update reports every 6 to 12 months, as and when requested by GARMC.

Section 4 – Financial Implications

None

Section 5 – Corporate Priorities

Keeping neighbourhoods clean, green and safe

The Civil Contingencies Team helps the council keep neighbourhoods and the borough as a whole safe, by developing, exercising and reviewing: emergency plans, business continuity arrangements, and assisting the emergency services in civil protection.

Name: Steve Tingle	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 8 Aug 2011		

Section 6 - Contact Details and Background Papers

Contact: Kan Grover, Service Manager – Civil Contingencies (Emergency Planning & Business Continuity)
020 8420 9319 kan.grover@harrow.gov.uk

Background Papers: None

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GARMC**28th June 2011****Emergency Planning Update****1. Key work achieved January to June 2011**

- 1.1 The Emergency Planning team is a small, but effective unit of three staff. The team provide a corporate service delivering Emergency Planning, Business Continuity Planning, Civil Protection as defined by the Civil Contingencies Act 2004, and is the Counter Terror Link with the Police Service and HM Government.
- 1.2 In January, the Emergency Planning (EP) team implemented a formalised training programme for the council's Emergency Response Officers (ERO). The council's EROs are middle managers who have 'volunteered' to take on extra duties in the event of a major incident or disaster occurring. The EP team conduct monthly training sessions covering the four core ERO subjects of:
- a) Borough Emergency Control Centre (BECC) procedure
 - b) Local Authority Liaison Officer (LALO) role
 - c) Rest Centre (RC) operation
 - d) Airwave Radio and Voice Procedure
- The training has been well received by the EROs with high attendance rates.
- 1.3 We participated in the Cabinet Office's Civil Contingencies Act Enhancement Programme Consultation. This included the Government's proposals on restructuring the UK Resilience Framework, with major changes to the regional, sub-regional and local arrangements. The final structural changes are due to be announced by Ministers.
- 1.4 We participated in the London Human Infectious Diseases Framework Validation. This involved working with health sector colleagues both locally and regionally, looking at the recent responses to swine flu and seasonal flu.
- 1.5 In February, the EP team delivered its annual senior management training event to CSB and CLG, on strategic management during a major incident. The session included refresher training on the Civil Contingencies Act 2004, major incident response, counter terror awareness with the police service, and a table top exercise dealing with a chemical incident.
- 1.6 We took part in the Pan London peer review of emergency planning across all 33 boroughs. This was organised by the London Fire Brigade Emergency Planning department. We reviewed the London Borough of Hounslow. We were reviewed by the London Borough of Hillingdon. We scored well, with an overall Green rating, with just a few Amber areas to be addressed.
- 1.7 The EP team continue to host and attend multi agency emergency planning liaison meetings with the Metropolitan Police Service, London Fire Brigade, London Ambulance Service, NHS Harrow, Environment Agency, Ministry of Defence, British Red Cross, St John Ambulance, and WRVS; as well as the neighbouring local authorities, including the West London boroughs and Hertfordshire County Council.

- 1.8 We have been working with other council departments, including highways, engineers, and planning; on the Drain London project, which is looking at dealing with the risk of flood across Greater London, following the Pitt Review.
- 1.9 The EP team and EROs have responded to a number of incidents and their aftermath, including the power outage in Somervell Road, South Harrow in December 2010, and the fire at Parris Garage, Hindes Road, Harrow in March 2011.

2. Main tasks for July to December 2011

- 2.1 As the Olympics draws nearer, we are becoming more involved with the strategic planning for responding to an incident during games time. This includes meeting, training and exercising with other London Boroughs and the emergency services. This is an area where the workload is set to increase as 2012 approaches, with exercises already planned for October.
- 2.2 We hold an annual exercise to test our, and our local multi agency partners', responses. Last year we hosted Exercise Canberra to test the council's response to a CBR (Chemical, Biological and Radiological) incident with multi-agency partners. 50 officers attended from the Police, Fire, Ambulance, NHS, Health Protection Agency, Red Cross, neighbouring boroughs and the council. This year in July, we are holding Exercise Brisbane, to test our Rest Centre and Humanitarian Assistance procedures.
- 2.3 We continue to support Michael Lockwood as Chair of the London Regional Resilience Forum – Local Authorities Panel – Implementation Group (LRRF – LAP – IG), and also as Deputy Chair of the London Regional Resilience Forum – Local Authorities Panel (LRRF – LAP).
- 2.4 The EP team assists other council departments to discharge their duties. For example, we assist Community & Environment's Safety Advisory Group (SAG) that risk assesses and plans for large events, such as Pinner Fair, Under One Sky and the K Festival. This is ongoing work through the summer months.
- 2.5 Last year, we also assisted Community & Environment's Facilities Management (FM) in reviewing their evacuation procedures for both the Civic Centre site and the Depot. This included an exercise at each location with key emergency services. During this summer, we will assist FM in conducting a review of these procedures.
- 2.6 During the autumn, we will be assisting the police in delivering awareness training to the public and local businesses. This includes preparing for emergencies, business continuity, and counter terror awareness. During the summer, we assist on Project Argus, which is aimed at local businesses. We also help on Operation Fairway, which aims to raise counter terror awareness. We also work with schools and hospitals on their major incident planning.
- 2.7 In November, we will be holding the annual Business Continuity phone cascade test, and contacting all staff, through their management chains, during a simulated major incident. Like last year, this will include the Leader of the Council and the Group Leaders and their Deputies, so make sure Democratic Services have your up to date contact details.

2.8 In December, we will be delivering annual training to Elected Members on their role during a major incident, as part of the Member Development Programme. This will be held on the evening of Thursday 8th December 2011, starting at 7:00pm, in the Members Lounge. Please put this date in your diary. Members have an important role to play during a major incident, and it is important that you receive your annual refresher training.

Contact

Kan Grover

Service Manager – Emergency Planning & Business Continuity

020 8420 9319

kan.grover@harrow.gov.uk

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