# REPORT FOR: Governance, Audit and Risk Management Committee

| | |
|---|---|
| **Date of Meeting:** | 29 June 2010 |
| **Subject:** | Risk, Audit and Fraud Division Activity Update |
| **Responsible Officer:** | Myfanwy Barrett, Corporate Director Finance |
| **Exempt:** | No |
| **Enclosures:** | Appendix: Lead Governance, Audit and Risk Management Committee (GARMC) Members |

## Section 1 – Summary and Recommendations

This report outlines the current work streams of the Risk, Audit and Fraud group of services and requests the Committee to consider Lead Members for each of the service areas.

**Recommendations:**

The Committee is requested to:

(a) Note the current work progress across the Division;

(b) Consider the appointment or reappointment of lead Members for each of the service areas.

# 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 GARMC is responsible for monitoring as part of its terms of reference.

2.2 The focus of this monitoring is quarter 4 in 2009/10.

2.3 The Risk, Audit and Fraud Division is a collection of risk-based services, which provide support to all other Council departments and schools. The work is based around the management of the Council's corporate risks and there are strong links between the work of each of the teams.

2.4 A series of GARMC Member training events is planned to take place during July 2010 and the role of each of the teams will be explained in detail. This report is therefore intended to provide an overview.

### Health and Safety

2.5 During the last quarter of 2009/10 a drive to improve the function of the directorate Health and Safety groups and the Council's Corporate Health and Safety Board was carried out, which involved a review of each groups terms of Reference, Membership and performance information.

2.6 This was supported by UNISON colleagues and a new series of meeting dates has been set throughout 2010/11.

2.7 A total of 9 new and revised corporate Health and Safety policies were revised during the quarter, including the Council's corporate Fire Safety Policy suite and some HR-related policies such as smoking at work. These policies were launched for consultation in the first quarter of 2010/11 and will be ratified by the corporate H&S Board in July.

2.8 In addition, an on-line Display Screen Equipment (DSE) risk assessment tool in use in 4 directorates was refreshed and new DSE assessors trained.

2.9 Accident report forms have been rationalised and are now available via the Harrow Hub for managers to complete and the process for entering accident data has been streamlined to be populated via the on-line forms submitted. Accident and incident reporting (with consequent data analysis) should therefore be more efficient in the future.

2.10    The corporate Health and Safety team delivered a total of 585 training courses during the 2009/10 year, which is a 6% increase on 550 delivered in the previous year.

2.11    The team also carried out an investigation into a low risk asbestos incident at the Kenmore Community Centre in February 2010, which resulted in an improvement plan. This will be monitored throughout this year.

2.12    The end of year Health and Safety report for 2009/10 is attached elsewhere on this Committee's agenda.

**Emergency Planning and Business Continuity Planning**

2.13    In accordance with Government requirements the team has been working on the "Minimum Standards for London" project (phase 2). This entails the preparation of a diverse range of plans to ensure preparedness for a range of eventualities from flooding incidents to preparing for excess deaths.

2.14    There are 24 plans in total within this initiative and all London authorities are required to have these in place in a consistent format and in-line with the other responding agencies such as the Metropolitan Police and London Fire Brigade.

2.15    Part of the minimum standards project is to create a permanent Borough Emergency Control Centre (BECC) for major incidents and work has started on this.

2.16    The council's Chief Executive is Chair of the Local Authorities Panel Implementation Group (LAP-IG), which monitors the minimum standards progress and sets pan-London policies.

2.17    During Quarter 4 the team worked with our partner agencies to establish comprehensive contingency plans for Pinner Fair, which ran successfully earlier this month.

2.18    In respect of business continuity planning, during quarter 4 the Council signed up to a new off-site recovery location to accommodate essential staff in the event of a serious incident affecting the Civic Centre complex. This is a key requirement of the council's corporate business continuity plan.

2.19    A telephone cascade test involving all staff across the council was also carried out during this period, which was designed to test how quickly an important message could be communicated from the Chief Executive, through management tiers and to front line staff out of hours. This was a good success and further tests are planned.

**Business Risk Management**

2.20   One of the main requirements of the Use of Resources element of the Comprehensive Area Assessment was to develop partnership risk registers across the borough. Therefore a significant part of the risk management work stream during quarter 4 was to work with the 5 Harrow Strategic Partnership Management Groups and risk exception reporting for Harrow Chief Executives.

2.21   The council's risk management strategy and policy was also reviewed during this period and is currently proceeding through the approvals process for reporting to GARMC later in the year.

2.22   Simultaneously, new risk management guidance for staff has been developed with templates and 'how to' guides.

2.23   The Corporate Risk Steering Group Terms of Reference were also reviewed and a more robust follow-up processes developed.

**Internal Audit**

2.24   During quarter 4 the main activity was the annual planning process where the draft internal audit plan was developed through analysis of risk registers and discussions with senior management.

2.25   The draft plan was discussed at the previous GARMC meeting and the final version is presented elsewhere on this agenda for the Committee to approve.

**Information Management**

2.26   During the period, a scoping document was produced in consultation with stakeholders, for a new software system to manage Data Protection and Freedom of Information requests.

2.27   The implementation of user awareness policy software was progressed and procured and the new system is currently on trial in the IT service for rollout across the council in 2010/11.

2.28   Information security computer based training was also introduced and all users now have access to this. Specific information management training has been introduced as part of the staff and managers induction series

**Insurance**

2.29   During quarter 4 the main work of the team was to implemented changes to the council's insurance arrangements following a successful tender exercise during the autumn.

2.30    Work on the London Authorities Mutual Limited (LAML) Supreme Court appeal was also carried out and a verbal update on this can be provided under Part II of the meeting.

2.31    An efficiency exercise with business partners Capita was completed, which released around £250k of liabilities from the insurance claims portfolio.

2.32    A new Insurance Manager took up her appointment on 1st June and a new improvement plan will now be developed for the team.

**Corporate Anti Fraud Team**

2.33    A corporate anti-fraud drive was carried out on Blue Badges during the period in partnership with the Metropolitan Police. "Operation Bluebell" centred on Greenhill Way and on one day, 10 badges were seized with one person arrested.

2.34    One of the offenders was an employee of the council who has since received a guidance interview under the council's disciplinary procedure. Work is continuing to finalise the outcome on these cases and to date 6 cautions have been administered and one prosecution is pending.

2.35    A further Blue Badge fraud exercise is planned.

2.36    During the period, 3 housing benefit fraud cautions were issued, 7 financial penalties imposed and 2 successful prosecutions were carried out.

2.37    In addition, following a data match through the National Fraud Initiative, an investigation into a housing tenancy revealed a person taking up housing tenancies in two councils. This has resulted in property possession proceedings being prepared for the Harrow property and one tenancy already recovered at Wolverhampton City Council.

**Nomination of Lead Members**

2.38    In view of the diversity of the GARMC responsibilities, Lead Members were previously assigned to focus on a specific area of responsibility and work with officers and act as the Committee's "champion" Member in a specialist area.

2.39    Occasionally, Lead Members have in the past been requested to provide a brief verbal update on their specialist area at Committee meetings.

2.40 The appendix sets out the previous list of nominated Lead Members, which needs updating now that the new GARMC Members have been established.

2.41 The committee is therefore asked to consider nominating new lead Members.

## Financial Implications

2.42 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.

## Risk Management Implications

2.43 Risk Management is the core subject matter of this report and the Risk, Audit and Fraud group of services exists specifically to support a wide range of risks affecting the council's services.

## Corporate Priorities

2.44 Collectively the Division supports the delivery of all the corporate priorities through supporting the council as a whole to achieve their targets and objectives.

# Section 3 - Statutory Officer Clearance

| | | |
|---|---|---|
| Name: Myfanwy Barrett | X | on behalf of the Chief Financial Officer |
| Date: 17 June 2010 | | |
| Name: George Curran | X | on behalf of the Monitoring Officer |
| Date: 16 June 2010 | | |

# Section 4 - Contact Details and Background Papers

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

**Background Papers:  None**