

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

Date of Meeting: 29 November 2010

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

Responsible Officer: Myfanwy Barrett, Corporate Director of
Finance

Exempt: No

Enclosures: None

Section 1 – Summary and Recommendations

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

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

FOR INFORMATION

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 2 in 2010/11.
- 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 The role of each of the teams was explained in detail at the GARMC Member training event held on 1st September and lead Members are in place to support officers within each of these service areas.
- 2.5 Separate reports are provided for this GARMC meeting in respect of health and safety and internal audit (half year reviews), therefore to avoid duplication these services have been excluded from this activity update.

Emergency Planning and Business Continuity Planning

- 2.6 The key work achieved during the quarter was as follows:
 - The team took part in the London Regional Resilience Forum multi-agency flood plan exercise.
 - Continued monitoring the influenza pandemic situation and attending the Influenza Pandemic Committee hosted by NHS Harrow
 - Hosted the Civic Centre emergency evacuation table top exercise with Metropolitan Police Service, London Fire Brigade and London Ambulance Service
 - Drafted the report on the amendments to the London Gold resolution and mutual aid arrangements for Cabinet, which was approved
 - The corporate Business Continuity plan was approved and signed off by the Chief Executive
 - Took part in the West London communications test for emergency planners and responders

- Took part in the Watford & Three Rivers major incident exercise
- Conducted the annual review of departmental BC plans across the council

2.7 During quarter three the main tasks scheduled are as follows:

- Host Exercise Canberra to test the council's response to a CBR (Chemical, Biological and Radiological) incident with multi-agency partners
- Jointly host Exercise Edenhope to test the council and NHS response to dealing with vulnerable people during a major incident
- Take part in Exercise Preparer, a London-wide training exercise for all 33 borough emergency planning officers organised by London Fire Brigade
- Assist Facilities Management to hold a Depot evacuation exercise with Metropolitan Police Service, London Fire Brigade and London Ambulance Service
- Attend Humanitarian Assistance Centre training for emergency planners and responders in London
- Hold the annual Business Continuity phone cascade test in November involving all managers and staff

Business Risk Management

2.8 The key work achieved during the quarter was as follows:

- Developed new 'Managing Risk' staff induction e-learning module available through the Learning Pool.
- Assisted in the development of the Agency Staff Contract Framework joint commercial partnership risk register.
- Assisted Directorates in the development of their Information Asset Registers and Information Risk Action Plans - this function has now been handed back to Information Management.
- New revised Risk Management Strategy approved by Cabinet in October.
- Provided secretariat functions to CRSG meeting 28 October 2010.

- Assisted Directorates in the quarterly update of their Directorate risk registers.
 - Attended and reported to the quarterly CSB Performance meeting.
 - Developed a new 'Risk Management' Brochure.
 - Developed a new 'Risk Management Toolkit for Council Officers'.
 - Developed a new 'Assessing Your Risk Register Checklist'.
 - Assisted the Policy & Performance team in developed a new standard Service Level Agreement for LAA funding.
 - Assisted HSP Management Groups in the quarterly updates of their risk registers.
- 2.9 The interim risk management officer left the council on 5th November 2010 therefore a selection process is underway to secure a replacement.
- 2.10 The key task for the next quarter is therefore to embed the new post holder and pick up the outstanding tasks from the extensive handover notes.

Information Management

- 2.11 The key work achieved during the quarter was as follows:
- Assisting all directorates to develop their Information Asset Register and Information Risk Action Plan, which are now almost complete.
 - Commenced a project to evaluate a combined Data Protection Act / Freedom of Information tracking system across Council
 - Started information gathering on information classification across the Council.
 - A new Information Architect took up position during the quarter which brings the team up to full strength.
 - Discussions are underway to determine whether the information management function should be included within the in-house client team of the IT service.
- 2.12 During quarter three the main tasks are:
- To develop the council's corporate information asset register from the directorate registers

- Pursue a software solution for staff to acknowledge acceptance of the council's information policies at login (dependant on resources).
- Implement the Data Protection Act / Freedom of Information Act tracking system across Council
- Develop the council records management policy and document retention schedules. (2011/12)

Insurance

2.13 The key work achieved during the quarter was as follows:

- The efficiency review of the Insurance Service is ongoing and the Council's Lean Team have now been invited to participate in the project. The review is expected to be completed by the end of December 2010.
- Together with the seven other boroughs forming the Insurance London Consortium (ILC), Harrow has signed a Section 101 Agreement to formalise its commitment to the ILC.
- Work has commenced on the ILC tender for insurance for Motor, Fidelity Guarantee, Engineering, Terrorism, and Personal Accident & Travel. The ILC is also tendering for external claims handlers. All new contracts are to commence on 1 April 2011.
- In conjunction with the Corporate Procurement team the Tenant's Home Contents Insurance scheme is being re-tendered. A notice was sent to the Official Journal of the European Union on 27 August 2010. The closing date for completed tenders is 18 October 2010 and the new contract is to commence on 1 April 2011.
- A guide to the Council's insurance arrangements has been produced and is now available on the Intranet.
- Further work around the London Authorities Mutual Limited (LAML) Supreme Court case was carried out and a verbal update on this can be provided under part II of the meeting if required.

2.14 During quarter three the main tasks scheduled are as follows:

- Conclusion of the Lean review of the Insurance Service and implementation of the recommendations.
- A programme of risk management initiatives is scheduled to commence in conjunction with insurers and the other ILC members. The programme started in October with a Motor Risk Management Standards Review.

- In conjunction with external solicitors a mock trial is to be staged on 18th January to provide witness training for Highways Officers and other Council staff who may be involved in litigated insurance claims.
- Continuation of the ILC tender for insurance and claims handling, and evaluation of the tender submissions for Tenant's Home Contents insurance.
- Supporting the LAML supreme Court Trial (Scheduled to start on 6th December 2010)

Corporate Anti Fraud Team

2.15 Key work achieved during the quarter was as follows:

Housing Benefit/Council Tax Benefit Fraud

- 1 formal caution
- 11 administrative penalties (generating £9,000 in penalties)
- 4 successful prosecutions (1 involving an employee)
- HB/CTB overpayments in the above cases total just under £100,000

Corporate Fraud

- 1 tenancy repossessed
- 'Operation Daffodil' successfully delivered, resulting in the confiscation of 16 blue badges for misuse
- 14 cautions in total administered for blue badge misuse, 5 awaiting customer acceptance for caution, 1 successful prosecution and 1 pending prosecution

2.16 The team currently has a full capacity of 302 live cases and quarter 3 will be dedicated to progressing these. In addition, recruitment is underway for a (1 year) housing fraud position which is a joint initiative between the Corporate Anti-Fraud Team and Housing colleagues to identify and tackle sub-letting fraud and other related matters.

2.17 On 11 November, the Department for Work and Pensions published its response to the consultation on reforms to the Benefits and Tax Credit system and published a white paper "Universal Credit: welfare that works". This may have significant implications on the work of the anti-fraud team and developments will be followed closely.

Section 3 - Financial Implications

2.18 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

2.19 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.

Section 4 – Financial Implications

None

Section 5 - Corporate Priorities

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

Name: Myfanwy Barrett	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 12 November 2010		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 12 November 2010		

Section 6 - Contact Details and Background Papers

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

Background Papers: None