

## **LONDON BOROUGH OF HARROW**

### **MEMBER DEVELOPMENT PANEL – 3 APRIL 2012**

#### **REFERENCE FROM GOVERNANCE, AUDIT AND RISK MANAGEMENT COMMITTEE – 26 JANUARY 2012**

#### **142. INFORMATION REPORT - Risk, Audit and Fraud Division Activity Update**

The Committee received an information report of the Assistant Chief Executive, which set out the current work streams of the Risk, Audit and Fraud Group of services. The report set out the progress made and future work planned in respect of the Group, as the Committee was responsible for monitoring this area. Confidential appendices were also considered by Members.

The Divisional Director highlighted the key achievements in relation to the insurance service procurement for property and liability cover which would be reported to Cabinet in February 2012, raising awareness in relation to the carrying of sensitive data, progress made in implementing a two year Health and Safety Plan which was on track, achievements of the Anti-Fraud Service, Risk Management Strategy which included the Council's new draft risk appetite statement, incorporating a monitoring tool which would be presented to Cabinet in April 2012.

A Member thanked the Divisional Director Risk, Audit and Fraud for resolving the public liability insurance issue in relation to the use of Community Premises at 27 Northolt Road, South Harrow, for the benefit of the community groups.

A couple of the Members were of the view that whilst the anti-fraud elements were informative and addressed fully in the report, the report did not identify the types of insurable risks faced by the Council in detail, which was also an important aspect of the Committee's monitoring role. Moreover, the levels of self insurance needed to be identified in the report, including land value and building costs which appeared to be moving in different directions. The limits placed on the different types of insurance were also important. Additionally, the report proposed for Cabinet ought to initially be scrutinised by the Committee in future.

In response, the Interim Director Finance reminded Members that a comprehensive report had been submitted at the September 2011 meeting and was of the view that a balance had to be struck on the level of detail provided in reports.

The Chairman was of the view that the Committee's remit was wide and suggested that it might be beneficial to revisit the terms of reference at the future date. Moreover, informal posts of Lead Members had been set up to allow the Committee's role to be enhanced and not become cumbersome.

The Divisional Director undertook to provide a summary of the major classes of cover required, trends of claims and actuary review results which would be of interest to Members, with the September 2011 report being used as a basis whilst providing a refresh and an update. In response to a further question, he assured the Member that, following the

implementation of a new team structure, the Health and Safety team appointment process to vacant posts was underway and should be completed by June 2012.

A Member sought officers' opinion on the types of risks faced by the Council and asked if a sixth risk, namely 'Counterparty or Stakeholder Risk', needed to be addressed. Moreover, the concept of risk was not widely understood and the Member suggested that the Committee would benefit from a presentation in this regard. The Chairman agreed with this approach and asked that the Interim Risk Manager be invited to the next meeting.

Members noted that Harrow had been successful in tackling tenancy fraud and had received good publicity in previous years. Members were informed that a great deal of evidence gathering was required to ensure success. They asked about the financial aspects and thresholds set against risks and were advised that these details would be submitted to the next meeting in the form of a matrix setting out the parameters under which the Council operated.

Another Member enquired how the 'Public Purse' would be protected once the Audit Commission had been disbanded. The Divisional Director Risk, Audit and Fraud stated that currently, the Audit Commission produced an annual document 'Protecting the Public Purse', which focused on fighting fraud against local government. Once the Audit Commission had been disbanded, it was likely that this area of work would devolve to local authorities who were lobbying for it, with Fraud Teams based locally. Networking arrangements could be put in place with the Department of Works and Pensions (DWP) issuing a national plan which local authorities would adhere to.

Members also discussed the confidential appendices, particularly the report relating to the major incident at Belmont Circle on 3 October 2011. The Emergency Planning and Business Continuity Service Manager informed Members that a number of lessons had been learnt from the incident, the majority of which had been implemented. Only one action remained outstanding. In response to question, the officer informed Members that in terms of providing accommodation to a large number of people during an incident, mutual aid arrangements were in place. Moreover, there were regional aid agreements should the number of people to be accommodated went beyond a figure of 1,200 people. Schools too had arrangements in place, particularly in relation to the exam timetable. Trained police officers and those from the Fire Brigade were charged with dealing with the vulnerable. Members welcomed the post incident training they had received and agreed that an aide-memoire of the 'Do's and Don'ts' of handling a major incident ought to be issued to Members, as it would particularly assist those who had not been trained. The Chairman stated that mandatory training for Members ought to be introduced on an annual basis. Furthermore, it would be appropriate for Members to observe officers helping during an incident.

Members felt that the incident had been handled well and was considered to be a good news storey. It was important that residents were briefed on this matter through the Council's 'Harrow People' magazine. The Divisional Director undertook to take this request forward.

**RESOLVED:** That

- (1) the report be noted;
- (2) the next meeting of the Committee be themed on Risk with a presentation being made by the Interim Risk Manager, including an examination of the Council's risk register;

- (3) the Member Development Panel be advised of the view that the training provided to Members in dealing with major incidents be made mandatory.

**FOR CONSIDERATION**

Background Documents:

Minutes of GARMC  
Report to GARMC

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