

## **CORPORATE COMMITTEE MINUTES**

**Thursday 2 December 2021 at 6.00 pm**  
**Committee Room (B6) - Lambeth Town Hall, Brixton, London, SW2 1RW**

**Members Present:** Councillor Scott Ainslie, Councillor David Amos (Chair), Councillor Paul Gadsby (Substitute) and Councillor John Kazantzis

**Apologies:** Councillor Linda Bray and Councillor Peter Ely

### **1 Declaration of Pecuniary Interests**

There were none.

### **2 Minutes**

**RESOLVED:** The minutes of the previous meeting held on 07 October 2021 be approved as a correct record of proceedings.

### **3 Work Programme and Action Monitoring Log**

Chloe Morris, Democratic Services Officer, provided a brief update which included the outstanding actions on page 21 of the agenda.

It was noted that an outstanding action from the previous Corporate Committee meeting was not on the log. This was to reschedule the attendance of the Cabinet Member and Director of Children's Commissioning and Community Safety due to the Youth Violence risk remaining high for a long period of time. Democratic Services would update the action log to reflect this missing action and noted that the committee should contact the Risk Manager if any further updates were required.

**RESOLVED** unanimously:

1. To note the Corporate Committee's work programme for 2021-22 (Appendix A).
2. To note the Corporate Committee's actions monitoring log (Appendix B).

### **4 Appointment of Independent Corporate Committee Co-opted Member**

Chloe Morris, Democratic Services Officer, introduced the report and highlighted that the report was to appoint the Independent Member for a term of four years. It was confirmed that four applications had been received, two of which were shortlisted and that the interviews took place on 10 November 2021. The panel consisted of the Chair and two members of Corporate Committee as well as the Director of Finance and Property and the Chief Audit Executive.

The Chair of the committee highlighted that once appointed, the Independent Member role would be effective immediately and participate in meetings from January 2022.

**RESOLVED** unanimously:

1. That the Committee appoint Simon Blakeney to serve as Independent Corporate Committee co-opted Member for a term of 4 years (effective immediately until the May 2025 Corporate Committee meeting)

## **5 Internal Audit and Counter Fraud Progress 2021-22**

Justin Martin, Chief Audit Executive introduced the report and highlighted that implementation rates remained high at 90% which was a good compliance indicator. In response to member questions, it was explained by Michael O'Reilly, Counter Fraud Manager and the Chief Audit Executive that:

- The dismissal and resignation statistics were average for the time of year;
- With regards to costs recovered at court, the judge would make the determination based on the individual's circumstance. Where costs are awarded, these many are not the full amount requested by Legal Services;
- Homes for Lambeth (HfL) was audited this year 2021-22 and was not yet ready for another audit;
- The 37,000-waiting list figure was accurate and had been supplied by housing;
- A review on 37,000 cases on the housing list would take a lot of resource and would be expensive and not practical as most families on the waiting list were genuine;
- A comprehensive list was circulated to members on contract audits and no potential fraud issues were found;
- The National Fraud Initiative (NFI) identified errors, which could be the case when individuals had included the wrong information. The number of fraud cases identified in each NFI exercise were relatively low.

The committee requested that the Counter Fraud Manager included a trends analysis in future reports on specific types of fraud year by year. This would allow for comparisons to be made. In addition, Counter Fraud would consider whether a further exercise related to potential fraud in the housing waiting list would be of benefit.

In a further discussion the committee proposed a meeting in January 2022 to have the opportunity to influence the 2022 – 2023 internal audit programme.

**RESOLVED** unanimously:

To note the report which provides an update on matters relating to the Internal Audit and Counter Fraud service, its activities and outcomes

## **6 Counter Fraud Policies and Procedures 2022-23 (1)**

Michael O'Reilly, Counter Fraud Manager introduced the report and noted that the policies would attend Corporate Committee across three reports, as requested at the March 2021 meeting. This would allow each policy to be analysed in detail.

**RESOLVED** unanimously:

That Corporate Committee consider and approve the updated policies:

- Counter Fraud Policy (Appendix A).
- Fraud Response Plan (Appendix B).

## 7 Mazars External Audit Update

Clare Williams, Interim Assistant Director of Corporate Finance introduced the report and noted that there would be minor amendments to the statement of accounts. Suresh Patel, External Audit Partner at Mazars highlighted key points and in response to questions stated that:

- Mazars were aimed to resolve the 2018 – 2019 objections by the end of January 2022 if possible. Mazars was working with the Council to deal with the matter;
- The relevant electors would have 21 days to appeal any final decisions made;
- There were no implications on the Council for not closing down objections within the recommended 6 months' timeframe as set out by the national audit office code of practice.

Christina Thompson, Director of Finance and Property, (Section 151 officer), explained that in respect of the Thames Water provision the Council would be in a better position in the next financial year on what the Thames Water fees would need to be reimbursed to tenants.

The committee requested that Christina Thompson provided clarification to committee members on two points:

- The suggested objection that a committee member referred to which included major works carried out by Lambeth properties including the Housing Revenue Accounts (HRA); although, it was explained that this was not related to any of the three 2018-19 objections;
- To liaise with officers from the Highways department, to identify why Lambeth officers instructed contractors to sort out drains when it was work that should have been completed free by Thames Water. In addition, an audit was suggested to claim back money and for lesson learned to be identified in order to stop the issue being repeated. It was noted that the Lambeth Homeowners association had previously contacted a Lambeth officer in relation to this.

**RESOLVED** unanimously:

1. To note the Appointed Auditor's Audit Completion Reports for the Council (Appendix 1) and Pension Fund (Appendix 2).
2. To approve the Pension Fund Statement of Accounts and Annual Report (subject to any minor amendments required), attached as Appendix 3
3. To approve the Statement of Accounts (subject to any minor amendments required), attached as Appendix 4

## 8 Treasury Management Performance Report for the period April 2021 to 30 September 2021

Robert Browning, Head of Treasury and Pensions provided a brief introduction to the committee on what the report contained and in response to questions highlighted that:

- The £25million investment balance was a generic treasury bank investment. Therefore, the increase from March was an additional £10million investment;
- The existing banking relationship was with NatWest and a further meeting which was requested by the committee would take place outside of this meeting in order to review a bank with a higher Environmental, Social and Corporate Governance (ESG) rating.
- A decision had taken place to ensure that the minimum cash float balance was £50million; this was to avoid going to the market to borrow if the Council required money subject to an emergency.

Robert Browning would circulate to the committee the accumulated interest to date on the loan

for Homes for Lambeth (HfL). It was noted that interest would not be received until the loan was due for repayment.

**RESOLVED** unanimously:

To note the Treasury Management Performance Report for the six months to 30 September 2021.

## **9 Complaints, Members' Enquiries and Freedom of Information Act requests**

Karen Sullivan, Assistant Director for Residents Services introduced the report and explained that Lambeth Council's website was now in the top 10 council websites, compared to this time last year where Lambeth was in the bottom 10%. In response to members' questions, it was explained that:

- Housing complaints and Member Enquires (MEs) fluctuate and the team had not come across any trends as of yet between the North and South of the borough;
- Missed housing appointments had generated complaints; housing was working hard to reduce this;
- The members' portal had significant engagement during summer 2021. Members were not in a favour of a new portal; however, it was requested that there was less admin and easier access points to complaints;
- The housing ombudsman wanted to use Lambeth Council as a case study to demonstrate a borough that had improved and worked well with the ombudsman to get service provisions to the right place;
- Lambeth had two ombudsmen's: Independent Housing Ombudsman (IHO) and Local Government Social Care Ombudsman (LGSCO) which looked at two different service areas.

One of the members pointed out that the second quarter of the Housing Ombudsman had put Lambeth in the top five housing providers for non-compliance in regard to handling complaints.

The committee hoped that in due course MEs and complaints would begin to decrease and be at a more consistent level. The committee requested that they would like to see the subject of their ME alongside their ME reference number in order to distinguish and identify what ME the reference number related to.

In addition, if there was a further review on the members' portal, Councillor John Kazantzis was keen to be involved.

**RESOLVED** unanimously:

1. To note the contents of the report

## **10 Risk Management Assurance for the HFL Regeneration Programme**

Tom Branton, Director of Regeneration and Housing Growth introduced the report and responded to members' questions as followed:

- Scenario testing in relation to COVID and BREXIT would need to happen in order to review the potential impact these factors would have on the programme, such as building material costs;
- HfL had noted in the past that they explored the opportunity to become a Community

Benefit Society (CBS) however, this had not yet been resolved and Lambeth had not received a proposal for this;

- The Director of Regeneration and Housing Growth was the risk owner of the strategic council risk which was the failure to deliver the HfL programme. The control measures listed in the report therefore fed into the main strategic risk;
- Scrutiny had a meeting specifically based around HfL and there was a deep dive into HfL finances.

The Council had other avenues which provided assurance such as the annually updated business plan which was where the status of progress could be reviewed. HfL boards like the Ownership and Stewardship Panel, reports were progress based and public documents which set out Key Performance Indicators (KPIs), planned homes to be commissioned and homes on sites.

The committee requested that moving forward HfL risk reports included information related to climate change. In addition to provide the committee with an accurate number of homes that had been built to date.

**RESOLVED:**

1. To note the actions described for each of the control measures which are mitigating the risk to successfully delivering the housing regeneration programme that is being delivered through Homes for Lambeth.

## **11 Tower Hamlets Environmental Trust (Central Hill Estate) Update**

The guillotine fell at 8.00pm. It was **MOVED** by the Chair, and, **RESOLVED:** unanimously, that in accordance with Standing Orders 9.5-9.7, the meeting continue for a further period of up to 30 minutes.

Tim Fairhurst, Assistant Director for Neighbourhood Housing introduced the report and noted that it was an update to the January 2021 report. It was explained that:

- The Freedom of Information (FOI) requests were related to historical details on the trust, what meetings had been held, emails that had been sent and the details of the consultation;
- The complaint was related to the administration of the fund and the information that had been supplied to residents;
- Guidance was sought from legal and it was advised that part A and B of the January 2021 recommendation 4, should be read together; therefore, a further consultation on the administration of the fund would take place.

The legal officer clarified that the purpose of the report was not to seek approval on how to spend or allocate the funds, but to explain next steps for consultation and project planning which would then be brought to Corporate Committee.

Christina Thompson, Director for Finance and Property, provided the committee with assurance and highlighted that the administration of funds was with Corporate Committee, the report was an update and officers were requesting that if the recommendations were approved, then Lambeth would consult with residents on how the funds would be dispersed based on residents' views. Furthermore, it was not unprecedented for Corporate Committee to be responsible for

funds; this had happened in the past.

It was reiterated by the chair that Corporate Committee would remain the initial delegate of the fund. The committee requested that the Assistant Director for Neighbourhood Housing checked whether the consultation institute could be involved in consultations moving forwards. In addition, to provide an email that was sent to a ward councillor which would provide further clarification on the fund.

**RESOLVED** unanimously:

1. To note the proposed process for administration of the fund
2. To note the findings of consultation to date
3. To agree to further consultation with residents in line with recommendation 1

The meeting ended at 8.05 pm

CHAIR  
CORPORATE COMMITTEE  
Thursday 27 January 2022

Date of Despatch: Friday 10 December 2021

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