

CORPORATE COMMITTEE MINUTES

Thursday 31 March 2022 at 6.00 pm

Room B-06, Town Hall, Lambeth Town Hall, Brixton Hill, London SW2 1RW

Members Present: Councillor Scott Ainslie, Councillor David Amos (Chair), Councillor Linda Bray, Councillor Peter Ely and Councillor John Kazantzis

Co-optees Present: Simon Blakeney (Independent Member (non-voting))

Also present: Councillor Pete Elliott and Councillor Jack Hopkins

1 Declaration of Pecuniary Interests

There were none.

2 Minutes

The minutes of the meeting held on 27 January 2022 were agreed as an accurate record of proceedings, subject to the following amendment on page 6, item 11: Workforce Report:

The committee requested that the Director of Human Resources and Organisational Development liaised with relevant colleagues to identify whether work could be undertaken to measure leadership investment to future achievements.

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The committee requested that the Director of Human Resources and Organisational Development liaised with relevant colleagues to identify whether work could be undertaken to measure and provide evidence that the restructuring between 2015-18 had resulted in service improvements and better value for money.

3 Work Programme and Action Monitoring Log 2022-23

David Rose, Democratic Services, introduced the report and noted:

- There was a brief readout of the 11 January 2022 workshop held on pages 10 – 11.
- The work programme on pages 13 - 16 was the provisional draft for the next municipal year.
- Outstanding actions were detailed on page 17. In discussion, it was noted:
 - the second action required further information on Lambeth's payment for the works; and,
 - the 2018/19 accounts had been signed-off, but objections required resolution before issuing the final report. Officers would update the Committee by 14 April 2022.

RESOLVED:

1. To note the Corporate Committee's work programme for 2022-23 (Appendix A).
2. To note the Corporate Committee's actions monitoring log (Appendix B).

4 Key Risk Report Q4 2021-22

James Rimmington, Risk Manager introduced the report noting that the significant number of high-rated risks was due to providing services in a high-risk environment.

Councillor Pete Elliott, provided the following representation:

- Estate regeneration had been risk-rated at 24 for a considerable time, whilst increasing costs of living and inflation would continue to ensure increasing construction costs.
- He was queried why programme delivery mitigations included design work, as this should be based upon construction.
- Homes for Lambeth (HfL) was the Council's biggest risk but was failing to meet its targets.
- He did not feel appropriate that HfL was adjudged to be on track and required a deep-dive audit.
- A baseline was required to track progress on the climate emergency, with further actions needed on decarbonisation. It should be noted that some associated risks were beyond the Council's control and mitigations such as retrofitting and increasing building standards should be explored.
- Evidence was needed of actively managing of inflation, and residents' benefits and wellbeing risks.

Officers responded to the Committee's questions as follows:

- The points raised by Councillor Elliott would be referred to risk owners for response.
- Risk management training and further risk rating detail would be provided to Simon Blakeney, prior to arranging a workshop with the Committee before the next meeting.
- The Redress Scheme and the Independent Inquiry into Child Sexual Abuse (IICSA) were separated between the strategic and corporate risk registers to represent the funding and reputational damage, respectively. These would be put into the same table in future iterations and further clarity would be provided.
- A summary of how the Council was planning to fund the forecast Redress overspend would be provided to Members in advance of the next meeting.
- Managing the temporary accommodation risk with a new model would be sought from the risk owner and detailed in future reports.
- Anthony Lewis, Assistant Director for Community Safety, noted that accountability on serious youth violence was given to the 16 March Children's Services Scrutiny Sub-Committee and 24 March 2022 Overview and Scrutiny Committee meetings.
- Serious Youth Violence's high-risk rating was due to both the significant mitigatory activities and that a single fatality of a person under 25 years of age generated a score of 32. The presentation of youth violence risk in future reports would be improved for increased clarity.
- The Lambeth Made Safer programme was being refreshed in May 2022 with a new commissioning framework, increased resident co-production, community safety restructure increasing capacity and key outputs, and the Contextual Safeguarding Hub.

The Chair noted that the Scrutiny Committees provided further assurance on serious youth violence, however he reiterated that further information was required for static risk items.

RESOLVED:

1. To note the council's key Corporate, Strategic and COVID-19 risks at Q4 2021/22 (tables

1-5 and Appendices A-B).

5 Statement of Accounts and Pension Fund Audit Plan 2021/22 and preparatory Activity.

Sian Hedger, Assistant Director of Corporate Finance, and Stuart Frith, Mazars, introduced the report and responded to questions as below:

- Lambeth performed well compared to other local authorities for publishing the accounts on time.
- The appendices were in draft, and the timelines detailed on page 68 had since been updated. Mazars were confident the accounts and Pensions Fund would be signed-off by December 2022.
- Officers would provide updated Appendices and a timetable to Committee members.
- The rates detailed on page 23 were final and were the same as last year.
- Changes to Mazars' proposed fee included an increase in the amount of work undertaken arising from changes in Lambeth's responsibilities, and from Public Sector Audit Appointments (PSAA) requirements and accounting standard regulations.
- The wording on fee changes would be improved in future iterations for clarity.
- One objection from last year's accounts had now been issued with a final view and was with the Director of Finance and Property for clearance.

RESOLVED:

1. To note the Audit Plan from Mazars for the Councils 2021/22 Financial Accounts as set out in Appendix 1.
2. To note the Audit Plan from Mazars for the Pension Fund 2021/22 as set out in Appendix 2.
3. To note the preparatory activity undertaken by officers and Mazars, as set out in the main report.

6 Internal Audit and Counter Fraud Progress 2021-22

Justin Martin, Chief Audit Executive; Rebekah Ibberson, Deputy Chief Internal Auditor; Verdal McGowan, Internal Audit Manager; and Michael O'Reilly, Counter Fraud Manager, introduced the report and responded to questions as follows:

- Over 90% of Plan items had been delivered, implementation remained strong, there were no overdue items, and only one no assurance report had been issued.
- The no assurance report for St Andrews Primary was a recurrence arising from staff leaving and the bank mandate being out of date, but they were working with Council officers to correct.
- Schools' audits took place in a five-year cycle, however thematic reviews for high-risk findings were being considered by the Council and the outcome of these discussions would be reviewed by the Committee.
- Audit were working across the Council's services to target similar areas to seek ongoing review.
- Lambeth had a robust management structure and some deep expertise enabling them to provide some temporary assistance to Croydon (to help with their current capacity issues) without impacting our current protection.
- It was suggested that Lambeth should attempt to increase publicity around all prosecutions to act as an increased deterrent. Although it was noted that this was often

unattractive to the media to cover outside of proceeds of crime cases.

- There had been delays to fieldwork on the voids audit, but these would be shared with the Committee after the investigation in April.
- Officers would request responsible managers provide information on deferred implementation actions, such as on disrepairs, and respond back to the Committee.

RESOLVED:

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

7 Internal Audit and Counter Fraud Plan 2022-23

Justin Martin, Chief Audit Executive, introduced the report and responded as follows:

- There had been a special session of Corporate Committee in January and input from this meeting had been incorporated into the 2022-23 Plans.
- Appendix 1 detailing carbon neutrality by 2050 was an error and it should have been 2030.
- Internal Audit's budget was 8% smaller than in 2020-21 and it was not possible to audit all items.
- Items could be substituted on request, although the Chief Audit Executive was content with the programme, however justification for long periods without audit would be provided in future.
- Lambeth operated in a high-risk environment and in-year substitutions were likely to be made.
- Climate risks and mitigations were developing, and PwC had invested considerable resources to develop measurable criteria and methods to demonstrate carbon neutrality.
- The conflict in Ukraine and energy concerns might be expected to affect carbon neutrality, although it could also help drive measures to become carbon neutral.

RESOLVED:

1. To approve the draft Internal Audit and Counter Fraud Plans for 2022/23.

8 Counter Fraud Policies and Procedures 2022-23

Michael O'Reilly, Counter Fraud Manager, noted that there were no significant changes to Counter Fraud Policies and Procedures.

RESOLVED:

1. To consider and approve the updated policies:
 - a. Anti-Bribery Policy (Appendix A).
 - b. Money Laundering Policy and Practice Note (Appendix B).

9 Data Protection Act 2018 (DPA) Update

Matthew Ginn, Council Data Protection Officer; and, Donald Ford, Project Manager for GDPR, introduced the report and responded to questions as follows:

- Lambeth had begun its Data Protection arrangements earlier than other London boroughs and compared favourably to them. Officers attended cross-London meetings at which further improvements were discussed.

- Data protection training figures for the year 2022 were low overall and particularly low in some Directorates. This had been raised with senior management to improve, alongside the reissuing of staff training modules and communications, which would be monitored by Lambeth's Information Group and were also meeting with eLearning colleagues to improve training further.
- Lambeth had ensured value for money by delivering the programme, developing the Data Breach system, and providing training in-house compared to other local authorities who relied on external companies and consultants. It was noted that fines could potentially reach £17m.
- Considerable work had been undertaken to improve processes and identify gaps such as the Corporate Complaints unit handling benefits and acting in a gatekeeper role for Subject Access Requests (SARs), which had improved to 82% on-time completion.

The Chair noted the Committee's concern on training levels and asked that evidence of improvements, including measures to do so, were shared with the Committee.

RESOLVED:

1. To note the work that has been undertaken in Phase 3 of the DPA Project.
2. To note that responsibility for maintaining the currency and accuracy of the Information Asset Register and IA Portal now lies with the relevant Directorates and the IAO.
3. To note the implementation of the Information Risk Group, responsible for information governance strategically and for assuring the SMB on information risks, and that this group should be fully supported by all Directorates.
4. To note all directorates remain required adhere to the ICO Accountability Framework.

10 Risk Management Assurance for the HfL Housing Programme

During discussion of this item the guillotine fell at 9.00 pm.

RESOLVED: That the meeting continue for a further period of up to 30 minutes.

The Chair noted that he was a councillor representative on the HfL Group Board. Tom Branton, Director of Regeneration and Housing Growth introduced the report.

Councillor Pete Elliott, gave the following representation:

- The HfL housing programme should be more transparent and have meaningful governance.
- The HfL Business Plan was written in 2020 but had missed almost all its targets since then, was also out of date, and did not account for Lambeth's population decreasing 8%.
- Multiple control measures appeared unchanged despite changing circumstances and pressures.
- He queried how much of the GLA's £28m support had been spent and the impacts; HfL's effect on the Council's Housing Revenue Account; and why there were significant staff changes.
- Vacancies from recent staff changes had not been recorded as risks.
- HfL did not meet the highest housing standards and only replaced old council stock, instead of supplying more homes, and would exacerbate the housing crisis and make homes unaffordable.
- By not working to highest housing standards/insulation, HfL was not operating in a climate emergency also added to fuel poverty.

- HfL should be reviewed by external development consultants and subjected to public scrutiny.

Officers responded to the Committee's questions as follows:

- The questions raised by Councillor Elliott were also raised as Member's Enquiries and at Cabinet, and these responses would also be provided to Corporate Committee.
- An external report had been undertaken by Bevan Brittan, and scrutiny had compared HfL's performance against Croydon's Brick by Brick programme in December 2020.
- There was significant governance arrangements in place, such as the provision of HfL homes overseen by Government regulators, whilst the joint delivery of the programme was reported to the Ownership and Stewardship Panel and Overview and Scrutiny Committee. Any decisions on land, loan provision and further projects arising were subject to individual published reports.
- This report detailed how the Council is managing strategic risk, noting that depopulation and control measures had been updated, whilst as an independent entity HfL had their own risk management procedures in place.
- The risk rating of 24 acknowledged the high-profile nature and significant investment involved, although the Council continued to implement measures to reduce risk to appetite. Officers would seek to further improve the description of risk and mitigating measures in future reports.
- Increasing inflation had pressured general costs and the cost of living, and further information on inflation risks would be added to the report in future iterations.
- The Joint Delivery Plan confirmed progress – such as taking on 150 homes in 2021, with a significant number of projects underway or in development.
- This report set out procedures and mitigations in reference to risk management sets.

RESOLVED by 4 votes to 1:

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

11 Published Ombudsman Report - Planning Service

The Clerk noted that this item report formed part of two complaints from the Local Government and Social Care Ombudsman (LGSCO) and the Information Commissioner's Office (ICO), however the ICO report was a separate item and outside the remit of the meeting.

Rob Bristow, Director of Planning, Transport and Sustainability, introduced the report and responded to questions as follows:

- Officers would discuss the ICO report outside the meeting.
- The Planning Application Committee's (PAC's) terms of reference were felt to have been applied properly and these were explained in planning reports, in addition to how planning conditions and policy were considered and applied.
- Planning reports had been improved since the LGO judgment and now had an additional sub-section that specifically referenced the terms of reference.
- Lambeth had a clear planning policy.
- It was not feasible to directly compare Lambeth's planning committee to Wandsworth as, for example, they did not allow public speaking during their hearings.

RESOLVED by 4 votes to 1:

1. To note the Local Government and Social Care Ombudsman's (LGSCO) findings and recommendations, as detailed in paragraph 2.1 to 2.12 below.
2. To note the improvements introduced.
3. To note the Council has agreed to the remedies recommended by the LGSCO.

The meeting ended at 8.16 pm

CHAIR
CORPORATE COMMITTEE

Date of Despatch: Friday 8 April 2022

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