

CORPORATE COMMITTEE 24 JANUARY 2019

Report title: Public Notice Question: Local Government Transparency Code compliance

Wards: All

Portfolio: Cabinet Member for Finance: Councillor Andrew Wilson

Report Authorised by: Christina Thompson: Acting Strategic Director for Corporate Resources

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Report summary

The Public Notice Question submitted for this committee, and answer provided, are set out in this report.

Finance summary

There are no financial implications arising from this report.

Recommendations

1. That the questioner be invited to ask a supplementary question.
2. That the written and oral responses given be considered and appropriate action agreed.

1. CONTEXT

- 1.1 This report sets out the public notice question (PNQ) received in time for this meeting of the Committee, together with the answer provided by officers. Standing Order 10.3 covers the process for PNQ. This enables the answer to the PNQ to be sent beforehand to the member of the public or councillor asking the question, and should enable the answer to be published on the agenda as part of this report. The member of the public or councillor concerned may ask a concise supplementary question (but not make a speech), and the relevant officer is invited to attend to answer any such question, and any follow-up questions members of the committee may wish to raise.

2. PROPOSAL AND REASONS

2.1 Local Government Transparency Code compliance, submitted by Michael Keane, Lambeth resident (PNQ 1819.01) received on 03 December 2018.

As a resident of Lambeth, I would like to ask a public interest question relating to Lambeth's compliance with the Local Government Transparency Code and errors/omissions/discrepancies in published transparency data and accounts.

1. *When does Lambeth expect to be fully compliant with the Local Government Transparency Code?*
2. *Why was it left to a member of the public (myself) to point out errors/omissions in published transparency data amounting to hundreds of millions of pounds and errors in published accounts?*

Further details can be provided if required.

Lambeth finance staff have been addressing the points I've raised over the years and should be given credit for that but I am concerned that the relevant committee appears not to have discussed or even be aware of just how serious some of the matters raised are.

Furthermore, having attended the corporate committee in July 2018, the accounts and KPMG did not get anywhere near the level of scrutiny that I was expecting. The report mentioned one member of the public (myself) who managed to get an objection to the accounts in on time. Given the improvements/changes made to the accounts over the years as the result of points raised perhaps one day I might get a meaningful acknowledgement of that from the Auditor.

2.2 Response due on 20 December 2018 and received on 09 January 2019

1. When does Lambeth expect to be fully compliant with the Local Government Transparency Code?

The Council is committed to ensuring that more relevant information is shared publicly and hosted on its website, more specifically, on the Transparency and OpenData web pages.

We have made considerable progress in meeting the requirements of the Local Government Transparency Code and now provide more datasets in accessible formats. Where possible, we are aiming to provide this data in formats that meet three star method of publication (non-proprietary formats such as .CSV).

Furthermore, the Council is currently identifying additional data sets that will be of use to Lambeth's residents and businesses that can also be incorporated. We anticipate a fresh and comprehensive set of data sets to be uploaded online for April 2019 and we will also undertake work on re-designing the web pages to make this information easier to locate. We acknowledge that some of the published information is difficult to find and aim to centralise these for ease of navigation.

We attach the tracker document that we have been working through. We are in the process of ensuring that all data sets are up to date and as previously mentioned, have reformatted many of these files into CSV (spreadsheet data).

Regarding the issues outstanding for compliance, the HR organisation chart is currently being updated and will return to the website shortly within this financial year. The Council views itself as adequately compliant in regard to other areas of the Transparency Code.

2. *Why was it left to a member of the public (myself) to point out errors/omissions in published transparency data amounting to hundreds of millions of pounds and errors in published accounts?*

The annual published statutory accounts are subject to a rigorous external audit process, with an interim audit lasting a few weeks prior to the end of the financial year and then a two month audit period once the draft accounts are published. Part of the role of Corporate Committee is to oversee the work carried out by the external auditors. Our accounts have received unqualified audits each year with few material errors and we do not have information regarding anyone having pointed out material errors in the statement of accounts that external audit and/or officers were not already aware of through the external audit process. Any material errors are reported in the external audit report to Corporate Committee. You did offer feedback regarding the presentation of notes to the main statements and we were able to add to the presentation of one of the Housing Revenue Account notes following your comments. We will always seek to take on board feedback to improve usability of the financial statements within the constraints of the CIPFA Code of Practice which the Council is required to adhere to.

Regarding the Transparency Code 2015, one of the requirements is to publish expenditure over £500. As you are aware, Councils in general have found it a challenge to extract the information required from their financial systems and scrutinise the volume of data for validity. During 2015/16 the over £500 data published on the Council's website had errors and we are grateful to yourself for having brought this to the Council's attention at that time. We changed processes but recognised that the system report we were using required significant manual input and during 2016/17 and 2017/18, albeit significantly improved, the output was not perfect and we appreciated your engagement on this during that period to help identify the issues with this. With the introduction of our Oracle Cloud system and new system reports from 1 April 2018 we have again seen a stepped improvement in the quality of data, which I note you have previously acknowledged. This dataset is not audited by the external auditor as part of their statement of accounts work so does not fall within their remit, however your continued engagement support regarding this report and transparency compliance is acknowledged and appreciated.

3. FINANCE

3.1 There are no financial implications arising from this report.

4. LEGAL AND DEMOCRACY

4.1 There are no legal implications arising from this report.

4.2 Standing Order 10 provides for public involvement in meetings, and specifically SO10.3 on public notice questions states:

Questions must be concise to enable as many as possible to be considered in the time available at the meeting. The Head of Democratic Services & Scrutiny will divide any lengthy questions into

separate questions. Questions to scrutiny committees should be strategic in content, i.e. not personal to the questioner. It is accepted however, that individuals may highlight their experiences to support their question. Questions may include requests for the provision of access to a published report, designated background paper or report commissioned by the Council.

A copy of the question will be sent to:

- The Chair of the meeting concerned (if to be referred to a meeting);
- The Cabinet member concerned; and,
- The appropriate officer for a draft response to be prepared.

- 4.3 The answer will be prepared and then cleared with the relevant Cabinet Member, sent to the questioner within 10 clear days, or in such a timescale as specified by the Head of Democratic Services & Scrutiny.
- 4.4 At the meeting, questions shall be put in the order in which the Head of Democratic Services & Scrutiny has received them, and usually they will be answered by the relevant officer. Priority will be given to questions from members of the public. However, where members of the public or Councillors submit more than one question, then all "first" questions shall be taken first, "second" questions shall be taken next and so on.
- 4.5 If a question affects more than one member or officer, a combined written reply may be given by one member or officer, acting on their behalf.
- 4.6 The question will be taken as being put and the member or officer responding will refer to the written answer provided. The member of the public or councillor putting the question may attend and ask a concise supplementary question, but may not make a speech. The supplementary question must be relevant to the original question or answer given.

5. CONSULTATION AND CO-PRODUCTION

- 5.1 Not applicable.

6. RISK MANAGEMENT

- 6.1 Not applicable.

7. EQUALITIES IMPACT ASSESSMENT

- 7.1 Not applicable.

8. COMMUNITY SAFETY

- 8.1 Not applicable.

9. ORGANISATIONAL IMPLICATIONS

Environmental

- 9.1 Not applicable.

Staffing and accommodation

9.2 Not applicable.

Procurement

9.3 Not applicable.

Health

9.4 Not applicable.

10. TIMETABLE FOR IMPLEMENTATION

10.1 Not applicable.

AUDIT TRAIL

Consultation

| Name/Position | Lambeth directorate / department or partner | Date Sent | Date Received | Comments in paragraph: |
|-----------------------------------------------|---------------------------------------------|-----------|---------------|------------------------|
| Councillor Andrew Wilson | Cabinet Member for Finance | 24.12.18 | 09.01.19 | |
| Christina Thompson, Acting Strategic Director | Corporate Resources | 24.12.18 | 09.01.19 | |
| Nisar Visram, Finance | Corporate Resources | 24.12.18 | 09.01.19 | |
| David Rose, Democratic Services | Corporate Resources | 24.12.18 | 09.01.19 | |

REPORT HISTORY

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|-------------------------------------------------------------------------|---------------------------------------------------------------------|
| Original discussion with Cabinet Member | N/A |
| Report deadline | 11.01.19 |
| Date final report sent | 15.01.19 |
| Part II Exempt from Disclosure/confidential accompanying report? | No |
| Key decision report | No |
| Date first appeared on forward plan | N/A |
| Key decision reasons | N/A |
| Background information | N/A |
| Appendices | Appendix 1 - Transparency Update – what must be published quarterly |