

CORPORATE COMMITTEE MINUTES

Thursday 17 September 2020 at 6.00 pm

PRESENT: Councillor Scott Ainslie, Councillor Linda Bray (Substitute), Councillor Peter Ely, Councillor Adrian Garden (Chair) and Councillor Iain Simpson

1. DECLARATION OF PECUNIARY INTERESTS

There were none.

2. MINUTES

This item was deferred to the next meeting of the Committee.

3. WORK PROGRAMME AND ACTION MONITORING

This item was deferred to the next meeting of the Committee.

4. LOCAL GOVERNMENT BOUNDARY COMMISSION FOR ENGLAND CONSULTATION RESPONSE

Councillor Jim Dickson, Cabinet Member for Health and Social Care (job-share) and Chair of the Member Working Party, noting he had been the responsible Cabinet Member at the start of this project and had continued in this position subsequent to portfolio changes, introduced the report as follows:

- Boundary reviews were undertaken every 20 years, in addition Lambeth's Bishop's ward had a -30% electoral variance than the borough average, Thornton (-12% less than average) and Thornton and Coldharbour (both more than 10% of the average) qualified it for earlier review.
- The response was compiled by, and thanks were given to, the members of the cross-party working group and officers who inputted into the submission.
- Lambeth's projected 2026 electorate showed a large increase in the north of the borough meaning that a new ward (Vauxhall Riverside) was proposed and three wards (Waterloo (currently Bishop's), Knight's Hill and St Leonard's) would reduce from three to two ward councillors.
- Local Government Boundary Commission criteria had been applied to the proposal with electoral variance within 5% of the average (4,072 electors per councillor) and the proposed wards took into account distinct communities, whilst maintaining efficient and convenient local government.
- Some wards had been renamed to better reflect locations instead of historic persons.

- The submission presented to the Committee was the Council's, and other political groups and community groups could make their own submissions. The Boundary Commission treated all submissions equally and would recommend the best one following a second round of consultation due to begin on 05 January 2021.

Councillor Jim Dickson, Cabinet Member for Health and Social Care (job-share); and, Alison McKane, Director of Legal and Governance, answered questions as below:

- The report, although approved at the cross-party working group, did not have full cross-party support, but had been well received. Other parties and groups were entitled to put forward their own submissions and all would receive equal weight by the Boundary Commission.
- The attached submission was recommended for approval as the Council's submission.
- The Commission held a major stakeholder consultation launch in early July 2020 and asked the community what they wanted it to look like in the future. Stakeholders were encouraged to make submissions and the Council was just one consultee. It was believed that other stakeholders had sufficient time to prepare their responses.
- It was noted that the Green Party had largely agreed to the submission at the last working group, except changes to Streatham, which was expected to be reflected in their submission.
- Lambeth was not allowed to take into account expected changes arising from Brexit, Covid-19, house prices, nor economic downturns and their effects on the population. Statistics of populations projections based on new housing and residential development and how that affected the electorate's size were instead used.
- It was not possible to amend the report once it had been published, but the points raised by Councillor Scott Ainslie would be recorded as follows:
 - The cross-party working group failed to agree on the fundamental theme of establishing communities, particularly of Streatham, as a sense of place.
 - Paragraph 1.10 should clarify that the submission did not have cross-party agreement.
 - Paragraphs 2.5 and 5.1 should note that the proposed scheme was recommended by Labour councillors within the Member Working Party and not by the entire Member working Party.
 - Paragraph 5.1 also failed to note that talks had failed and that there was insufficient time to consult with wider stakeholders due to the submission deadline on 21 September 2020.

RESOLVED by 4 votes for to 1 abstaining:

1. To approve the submission to the Local Government Boundary Commission for England (LGBCE) by the deadline of 21 September 2020 (Appendix A) for a proposed rewarding scheme.
2. To delegate authority to the Director, Legal and Governance in consultation with the Cabinet Member for Health and Social Care (job-share) to agree any minor amendments to the proposed scheme arising from any comments.

5. AUDIT COMMITTEE EFFECTIVENESS

Justin Martin, Chief Audit Executive and Charlotte Bilsland, Deputy Chief Audit Executive, presented the report and answered questions as follows:

- The independent review of the effectiveness of external audit and transparency of

financial reporting in local authorities by Sir Tony Redmond highlighted that:

- There were national concerns whether external auditors' market price fees were correct and an audit commission on governance oversight and other matters was expected; and,
- The report recommended having an independent audit committee member.
- Lambeth's Corporate Committee was ahead of some other local authorities on training committee members, but it was recommended to increase training opportunities further.
- The outcomes following the November 2019 assessment had been delayed due to Covid-19, but training was soon to be scheduled. A further self-assessment would be run after this training and this would help inform a decision to select an independent member.
- It was good practice to have a feedback mechanism to review performance.
- It was good practice to keep an action log, but it was concerning that many items were overdue and Members were encouraged to call responsible officers to the Committee when this occurred.
- Independent members could potentially be retired auditors and PwC had an alumni network to source candidates. It was expected that a small token remuneration would be necessary.

In discussion, Members noted that:

- It was disappointing that the original effectiveness questionnaire had taken Members so long to complete and this wider work had been ongoing for two years.
- The Redmond Review also noted that local authority accounts were unnecessarily over-complicated, and that greater transparency and accessibility was required.
- Multiple specialist independent members covering a broad range of technical knowledge areas, who attended specific meetings would likely result in not being able to build relationships and might be poor use of the Committee's time.
- Inviting external consultants for specific issues should also be explored.
- Questions were raised about who could fill a generalist independent member role and from what area of public sphere they could be sourced from. It was suspected that most local experts who would want to attend audit meetings would be former councillors, and sourcing persons with the requisite knowledge and experience from the private sector might be difficult.
- It was queried whether the Redmond Report had a steer on independent members.
- An independent member who was resident in the borough was felt to be better, but importantly they needed to be non-political.

The Chair noted that the sourcing of an independent member would be dealt with after training had concluded.

RESOLVED:

1. To consider the results of the Corporate Committee's self-assessment of knowledge and skills.
2. To consider the 3 recommendations under paragraph 2.4 Areas Noted and agree actions.

6. AUDIT AND INVESTIGATIONS UPDATE

Justin Martin, Chief Audit Executive; Charlotte Bilsland, Deputy Chief Audit Executive; and, Yousra Abdelmoneim, PwC Internal Audit Supervisor, presented the report and answered questions as follows:

- There was a 70% implementation rate in 2019/20, which was a significant improvement on previous years and 2020/21's target was 80%, which currently stood at 55%.
- Internal Audit had encouraged transparency of date changes and was implementing a follow-up system to improve action ownership.
- Volatility on completed action percentages from previous years was to be expected in-year, but it was noted that the important figure was the year-end completion rates.

Members noted that actions needed to continue to be identified and the log to be maintained but expressed disappointment that some deadlines had been missed by officers and management comments did not always provide sufficient reasons for delays. However, the Committee welcomed the improvements detailed in the report.

RESOLVED:

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

7. CORPORATE AND STRATEGIC RISK

James Rimmington, Risk Manager, introduced the report and answered questions as follows:

- Risks continued to be identified and assessed, with 31 corporate and 44 strategic risks, and showed the borough to be risk aware. 28 risks were currently outside risk appetite although this did not represent failure but showed awareness of the risk environment.
- Not all risks were increasing due to Covid-19 and the Council had responded well to Covid-19 with no service failure. A separate Covid-19 Risk Register (Appendix B), with 40 risks over 11 themes, showed a moderate but dynamic risk profile, which could be subject to short-term change.
- The Brexit Risk Register and management of those 50 risks was still in process and a summary of key Brexit risks would be in the next report.
- Officers would confirm whether failure to adhere to the Homes for Lambeth (HfL) key guarantees could result in further risks to Lambeth's reputation or legal action for HfL; and that HfL were content that the identified risks sufficiently covered a failure to deliver estate regeneration.
- There was a HfL Challenge Session later in the year, pending the HfL Governance Review anticipated in October 2020.
- There were internal and external carbon reduction strategic risks, but only the corporate risk was included in the report. Both would be detailed in future and would be sent to Members in the interim.
- An internal audit on Subject Access Requests (SARs) was underway and would inform the risk register. There was a high rate of agency staff in Legal and Governance dealing with SARs due to their workload volatility, but it was not thought to have affected performance, and a number of agency staff were moving to fixed-term contracts to increase continuity.
- Covid-19 had not appreciably affected SARs performance and the team was managing these resource-intensive requests well. It was also noted that the Council had a good rapport with the Information Commissioner's Office (ICO) and was improving its iCasework system which was expected to further improve performance.

In discussion, Members noted that:

- Some objectives needed greater focus, such as on climate risks or HfL, and expressed concern whether the Council could sufficiently mitigate some of its larger risks.

- HfL's strategic objectives should be related to the ongoing housing crisis, and its strategic risk detail the large monetary investment, return, and reputational risks of non-delivery.

RESOLVED:

1. To note the council's key Corporate and Strategic risks at Q2 2020/21 (tables 1-5 and Appendices A-B).

8. RISK STRATEGY

James Rimmington, Risk Manager, to presented and responded to questions as below:

- Core risk management remained the same and had not changed due to Covid-19 nor Brexit, but six updates had been applied to the Strategy this year, as detailed in paragraph 1.5.
- The Council's meeting of senior officers met quarterly to monitor the Risk Strategy.
- The Council had set up an emergency hub to help vulnerable persons in the borough.
- The Council implemented daily Gold and Silver meetings to respond to Covid-19, which also dealt with the identification of vulnerable citizens and the Council was well placed to meet their needs.

RESOLVED:

To note the updated risk management strategy and policy 2020-23.

9. STATEMENT OF ACCOUNTS 2019/20 AND ANNUAL EXTERNAL AUDIT

This item was deferred to the next meeting of the Corporate Committee on 12 November 2020.

10. PUBLIC INSPECTION 2019/20

Nisar Visram, Assistant Director for Corporate Finance, introduced the report and responded to questions as follows:

- 187 queries had been received, with responses detailed in Appendix A.
- Questions on HfL's consolidated accounts were rejected and requestors asked to raise these via the Freedom of Information (FoI) process.
- The external auditors had not signed-off the Statement of Accounts due to delays by actuaries to approve the Lambeth Pension Fund assessment.
- The external auditors' progress report would be circulated to Members.
- A legal opinion on HfL transparency and other HfL matters could be provided and would form part of the upcoming Challenge Session.

In discussion, Members noted:

- The Council would continue to face questions on HfL as it was in Lambeth's consolidated accounts and were part of the authority's accountability to its constituents. Furthermore, the relationship between the Council to the HfL was confusing to many.
- It was queried whether behavioural change was required when answering objections as it was difficult to understand why providing the information was so costly.

- The Chair welcomed the public raising questions, noting that it was encouraging that no serious errors had yet been found which showed the Council was performing well.

RESOLVED:

1. To note the process followed in responding to Public Inspection Queries
2. To note the Queries raised and the responses provided

11. ANNUAL WORKFORCE METRICS AND ANNUAL EQUALITIES 2019/20

Dean Shoesmith, Director for HR and Organisational Development; and, Paul Bates, Director for Strategy and Communications, introduced the report and responded to questions as below:

- Lambeth's top 5% of earners had increased to include 35% BAME staff; disabled staff had increased by from 6.6% to 9% over the year; and the gender pay gap had narrowed to 2.7%.
- Staff turnover had fallen from 13% to 10% and internal career progression was improved.
- Sickness rates remained high and needed addressing but had reduced considerably this year, which was believed to be due to Covid-19 and the increased working from home.
- The agenda pack (page 222) detailed next steps on improving race and diversity in Lambeth.
- The Council did not have performance related pay, but Strategic Directors' objectives included improving equality and diversity and was part of their annual performance setting.
- The Cabinet Member for Equalities and Culture and the Chief Executive were responsible for equalities and diversity.
- Work to increase the disclosure rates was expected to show further improvements and was being coordinated by the Equality and Diversity Inclusion (EDI) Board chaired by the Chief Executive. The work output from the EDI Board would be made available to Members.
- The EDI Board was an officer-only meeting, whilst membership of the Lambeth First Partnership Board was still under discussion but was for Full Council to approve.
- The Council had been successful in attracting under-represented communities to its workforce through positive action and diversity press releases, as shown by senior management changes.
- Consultants' work had concluded, and cross-Council co-creation workshops had been setup with directorate plans, alongside the overarching equality and diversity plans at the EDI Board.
- HR was working to support managers to lower sickness rates and was holding reviews with Departmental Management Teams (DMTs).

RESOLVED:

1. To note the report and the key emergent trends.

12. WORKFORCE TRANSFORMATION UPDATE

Dean Shoesmith, Director for HR and Organisational Development; and, Paul Bates, Director for Strategy and Communications, noted the report which detailed progress to date and further actions to be taken on the workforce transformation.

RESOLVED:

1. To note the report, progress, and further actions.

13. GDPR RISK UPDATE

During the discussion of this item, the guillotine fell at 8.00pm.

It was **MOVED** by the Chair, and,

RESOLVED: That in accordance with Standing Orders 9.5-9.7, the meeting continue for a further period of up to 30 minutes.

Kevin McEvoy, Interim Project Manager; and, Alison McKane, Director of Legal and Governance, introduced the report and answered questions as follows:

- The GDPR project had rebooted following an August 2020 review and gap analysis, with the report detailing activities to undertake and review governance. Next steps would see defined roles to support a long-term sustainable approach to meet regulations; whilst directorate- and officer- based training plans were ready to begin.
- There remained a lack of general awareness of the accountability principle requirements, necessitating further work to increase awareness and this would be reported back to DMTs.
- The report updated on iCasework and data migration, and there had been improvement, but Members concerns were noted and Corporate Committee requested future updates.
- Matthew Ginn, Data Protection Officer, reported to the Director for Legal and Governance. Garry Jamieson, Head of ICT, sat on the GDPR Board and was part of the GDPR project's governance.
- Members noted that local authorities tended to be poor at delivering sizeable IT projects and requested regular updates to monitor progress.
- The Chair requested that the Committee continue to carefully monitor GDPR risks.

RESOLVED:

1. To note the work undertaken in Phase 1 of the GDPR Project (see appendix 1) including work carried forward to Phase 2
2. To note the risk assessments and mitigating actions for all data processes within the council being undertaken as part of Phase 2 of the Project.
3. To note the Information Governance framework including Information Management policy, procedure, training and awareness and to provide any comments on the implementation plan.
4. To note the implementation plan for regularisation of all information sharing and data processing agreements between the council and third parties.

The meeting ended at 8.10 pm

CHAIR
CORPORATE COMMITTEE
Thursday 12 November 2020

Date of Despatch: Wednesday 30 September 2020

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