



CORPORATE COMMITTEE

Wednesday, 9th March, 2011 at 7.00 pm

MINUTES

PRESENT: Councillor David Malley (Chair), Councillor Neil Sabharwal (Vice-Chair), Councillor Christine Barratt, Councillor Adrian Garden and Councillor Peter Truesdale

APOLOGIES:

ALSO PRESENT:

*Action
required by*

1. **DECLARATIONS OF INTEREST**

Councillor David Malley declared a personal interest, as he was employed by the Royal Bank of Scotland which handled the bank account for the Pension Fund which the Corporate Committee oversees. However, he worked in the Payments Market Infrastructures section and was not involved in dealing with any matters connected with the Lambeth Pension Fund. Furthermore, the interest was non-prejudicial in accordance with paragraph 10. (2)(a) of the Code of Conduct.

2. **MINUTES OF PREVIOUS MEETING**

RESOLVED:

That the minutes of the meeting held on 26 January 2011 be approved and signed by the chair as an accurate record of the meeting, subject to the following changes:

Item 9 Para 3

Members of the Committee expressed concern that ~~some contractors were not engaging in a contract review~~ contract

performance reports had not been received by the Strategic Procurement Board despite explicit requests from the Chair of the Strategic Procurement Board. The Committee asked to be kept informed of this particular issue, the Contractors in question were:

- Greenwich Leisure Limited
- Thames Reach Bondway
- Excel Care Homes – including Windmill, Limetree, Queens Oak Care Centres.

The Director for Governance and Democracy also advised the Committee that he had written to the Borough Commander expressing his disappointment with the lack of progress relating to Project Ruby and Alex Watson Jones. A report would be presented to a future Committee.

3. RUSH COMMON CONSENT - ST MATTHEWS CHURCH, SW2 1JF

(Report 262/10-11) Agenda Item 3

The Head of Development Control introduced the report and gave a brief insight into the Rush Common act.

The Director for Governance and Democracy advised the Committee that it had previously resolved that applications under the Rush Common Act in respect of which no objections had been received would not need to be considered by Corporate Committee and that the Scheme of Delegation needed to be changed to reflect this. He would bring this to the attention of the Constitution Working Group.

RESOLVED:

That consent be granted for the Rush Common Application.

4. RUSH COMMON CONSENT - 3 RALEIGH GARDENS, SW2 1AB

(Report 263/10-11) Agenda Item 4

RESOLVED:

That consent be granted for the Rush Common Application.

5. TREASURY MANAGEMENT ANNUAL ACTIVITY REPORT

(Report 265/10-11) Agenda Item 5

The report was introduced by the Treasury Manager and he informed the Committee that it was a requirement of the CIPFA code and Communities and Local Government guidance that Corporate Committee received this report at the end of the financial year.

In response to questions from the Committee, Officers stated that:

- The Annual Treasury strategy was approved by Full Council on 24 Feb 2010.
- If the Bank of England were to increase interest rates, the organisation would be able to react quickly.
- There would always be an element of risk when lending and borrowing money.

RESOLVED:

- (1) That the Treasury Management Annual Activity Report for 2010/11 financial year be agreed.
- (2) That as far as possible and in view of the prevailing economic conditions and the related volatility in the UK and globally the treasury management activity undertaken during the 2010-11 financial year complied with the approved strategy.
- (3) That the treasury activity undertaken adequately reflected the management of risk, in particular security, liquidity and yield risk, in that order of importance.

6. ANNUAL REPORT ON REGULATION OF INVESTIGATORY POWERS ACT 2000

(Report 269/10-11) Agenda Item 6

In introducing the report the Senior Prosecutions Lawyer advised the Committee on how the Regulation of Investigatory Powers Act 2000 (RIPA) worked and gave an overview of how it had been used in Lambeth over the last 12 months. He also noted the following:

- Out of the 17 incidents where RIPA was used, 16 related to suspected fraudulent use of Blue Badges.
- RIPA was not used by Trading Standards as they did not feel it necessary.
- The use of RIPA resulted in successful prosecutions in nearly every case.
- The proposed changes did not mean RIPA powers would be taken away, it meant that an application would have to be made to the Magistrates for it to be used.
- The Interception of Communications Commissioners Officer (ICCO) were due to audit Lambeth and a report would be presented to Corporate Committee on completion.

Officers advised the following in response to questions from the

Committee:

- It was not recommended that the inhouse Police Officer be used for surveillance as they would then become overwhelmed with the paperwork needed for this process.
- Representations had been made to central government on the proposed changes, which was done through the London Wide Fraud Committee.
- There was limited scope for further representations to be made as the consultation period had now ended.
- There was a London wide and national problem with the fraudulent use of Blue badges.

The Chair informed the Committee that he would speak to Cabinet colleagues to determine if anything further could be done in making representations to the proposed changes to the use of RIPA.

RESOLVED:

- (1) That the contents of this report be noted, in particular that during the period 1 January 2010 to 31 December 2010, officers undertook RIPA authorised surveillance operations on 17 occasions, the majority of which related to the misuse of blue badges.
- (2) To note that the current policy in place within the Council to ensure compliance with RIPA and to make any recommendations regarding the content of that document whilst having regard to the expected substantial revisions this policy will require following the passage of the Protection of Freedoms Bill.
- (3) That a report be submitted to Committee setting out the Council's revised RIPA policy consequent to the passage of the Protection of Freedoms Bill, which is expected in late 2011 or early 2012 and likely to lead to the effective cessation of all directed surveillance undertaken by Councils.
- (4) That thereafter an annual review of this policy is to be undertaken and presented to Committee for approval.

7. COMPLETED AUDITS AND INVESTIGATIONS

(Report 271/10-11) Agenda Item 7

The Chief Internal Auditor introduced the report and gave a short presentation on the key issues from the recently completed audits and investigations.

He also highlighted an issue with third sector organisations and the problems surrounding their financial accountabilities. He advised the Committee that Lambeth's Chief Executive had requested that a Member of the Strategic Leadership Board review the Councils

strategic approach to clienting.

In response to questions from the Committee, officers stated the following:

- That the Schools Governing bodies were responsible for oversight of school finances.
- The Chief Executive had requested that all TMO's be reviewed by Internal Audit, and that a future report would be presented to Corporate Committee on completion.
- A report on the Angell Town Community Project issues would be presented to a future Corporate Committee meeting.
- Officers and Departments who had open audit actions had been asked to complete and close them off. However it was noted that when some departments and officers were challenged on the open audit actions they were able to provide evidence that appropriate measures had been taken.

RESOLVED:

- (1) To note this report showing the findings of completed audits and investigations to date.
- (2) To note the issues and concerns that were associated with the completed audits and investigations, specifically:
 - The need for a strategic approach to clienting/overseeing its responsibilities with contractual arrangements with third sector organisations
 - The low assurance opinions given to four TMOs reviewed recently which have resulted in a request to review the remaining 11 TMOs as a matter of urgency
 - The increase in the number of major reactive investigations which Internal Audit are having to undertake as a result of control failures in some service areas
 - The scope for improving the performance of management in implementing very high and high priority recommendations by their due date.
- (3) To note the potential implications for the investigation of benefit fraud at Lambeth following the recent publication of the Department for Work and Pensions 'Fraud and Error Strategy'.

**8. METROPOLITAN POLICE LOCAL AUTHORITY PARTNERSHIP -
SECONDED POLICE OFFICER CASES AND OUTCOMES**

(Report 266/10-11) Agenda Item 8

The report was introduced by the Chief Internal Auditor and Detective Chief Inspector Jarvis who oversaw the partnership arrangement.

They informed the Committee that the partnership was working well and that having an in-house police officer provided vital resources and knowledge in the fight against fraud and other such crimes.

In particular, the Chief Internal Auditor advised the Committee that powers such as arrest and detain, access to crime databases, relationship with safer neighbourhood teams and sharing information with other Police colleagues were a valuable part of this relationship.

The Chief Internal Auditor and Detective Chief Inspector were happy with the levels of staffing of the current partnership (one Police officer) and did not feel additional officers could add more value at this time. They also commented that the partnership and outcomes from investigations provided excellent value for money.

RESOLVED:

- (1) To note the update provided on recent and current cases which have been supported by the seconded police officer and the successful outcomes resulting from Lambeth's participation in the Metropolitan Police Local Authority Partnership.
- (2) That the Committee continues to support partnership with the Metropolitan Police and work of the seconded police officer which has contributed to the outcomes identified in this report for 2009 and 2010, including:
 - completed investigations to the value of £398k
 - ongoing investigations to the value of £628k
 - 6 prosecutions, 3 cautions and 6 dismissals.

9. BEST PRACTICE IN TENANCY INVESTIGATIONS

(Report 268/10-11) Agenda Item 9

The report was introduced by the Deputy Chief Internal Auditor and Housing & Internal Investigations Manager. In response to questions, officers said that referrals came from a wide variety of sources such as other departments, the Audit Commission's National Fraud Initiative, in house data matching and anonymous tip offs.

They also advised that there were plans for a media campaign to inform people of how they can report suspected fraudulent tenancies and there would be a dedicated telephone line to deal with those leads. Officers currently deal with approximately 150-200 referrals a year, although this would increase significantly in the coming financial year as a result of additional funding being provided by Housing, Regeneration and Environment to tackle illegal subletting.

RESOLVED:

- 1) Consider and support the plans of the Internal Audit and Anti-fraud Division and Lambeth Living, United Residents Housing and HRE to address tenancy fraud in Lambeth.
- 2) Support the move towards closer co-working between Lambeth, the ALMOs, TMOs and RSL partners operating within the Lambeth area.
- 3) Continue to receive regular reports on the outcomes of tenancy investigations as part of the Internal Audit and Anti-fraud updates.

10. ANNUAL GOVERNANCE STATEMENT AND VALUE FOR MONEY (VFM) CONCLUSION 2010/11: UPDATE

(Report 267/10-11) Agenda Item 10

RESOLVED:

- (1) To note the process and timetable for the completion of the Annual Governance Statement and Vfm Conclusion for 2010/11, in particular that the Committee would be consulted in the delivery of its Audit Committee role.
- (2) To receive and consider the draft Lambeth Assurance Map.
- (3) To note the progress made against the key issues raised in the 2009/10 AGS and agreed that a further update will be provided with the draft 2010/11 AGS on 17 May 2011.

11. ANNUAL REPORT ON COMPLAINTS ABOUT ADULT SOCIAL SERVICES FOR 2009-2010

(Report 270/10-11) Agenda Item 11

RESOLVED:

- (1) To note the report.
- (2) To note the step change involved in the legislative change which took place in 2009-10 in the way that the local authority has to deal with complaints about adult social care, including the mutual obligation that the NHS and the local authority now have to also deal with complaints about each other's services in certain circumstances, and the steps taken to implement the changes.
- (3) To note that, whilst the changes involved a welcome

reduction in the bureaucracy involved in dealing with complaints, it also involves increased risks as set out in both the main body and Annex to the report.

12. ELECTION OF REPRESENTATIVES TO THE PENSION FUND INVESTMENT PANEL

(Report 264/10-11) Agenda Item 12

The Chair also advised the Committee that he and Committee Members had met with Officers from Corporate Finance and had a very productive meeting on Pension Fund issues. It was agreed that Members would be advised in advance of any potential decisions that were delegated to officers such as the Actuarial Valuation.

RESOLVED:

- (1) That the following be appointed as representatives to serve on the Pension Fund Investment Panel until May 2013:

Staff Representatives: Joseph Nartey and Kathryn Crockford
Pensioner Representatives: Paul Martin and Lesley Wood.

The meeting ended at 9.15 pm

CHAIR
CORPORATE COMMITTEE
Tuesday, 17th May, 2011

Date of Despatch: Thursday, 17 March 2011

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