

MEETING

AUDIT COMMITTEE

DATE AND TIME

THURSDAY, 16 NOVEMBER 2006

at 7.00 PM

VENUE

THE TOWN HALL, THE BURROUGHS,

HENDON, NW4 4BG

TO: MEMBERS OF THE COMMITTEE (Quorum 3)

Chairman: Councillor Jeremy Davies

Vice Chairman: Councillor Daniel Thomas

Councillors:

Danish Chopra

Dean Cohen

Geof Cooke

Richard Cornelius

Marina Yannakoudakis

Substitutes:

Councillors

Wayne Casey

Mukesh Depala

Monroe Palmer

Hugh Rayner

Alan Schneiderman

Agnes Slocombe

You are requested to attend the above meeting for which an Agenda is attached.

Janet Rawlings
Acting Democratic Services Manager

Committee Section contact Flick Heron 020 8359 2205

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Town Hall, Hendon NW4 4BG

ORDER OF BUSINESS

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1.	MINUTES	-	-
2.	ABSENCE OF MEMBERS		
3.	PUBLIC QUESTION TIME	-	-
4.	DECLARATION OF MEMBERS' PERSONAL AND PREJUDICIAL INTERESTS	-	-
5.	MEMBERS ITEMS	-	-
6.	Interim Internal Audit Annual Report 2006-7	CIA	1 – 35
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8.	ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT	-	-

Fire/Emergency Evacuation Procedure

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AGENDA ITEM: 6 Page nos. 1-35

Meeting	Audit Committee
Date	16 November 2006
Subject	Interim Internal Audit Annual Report 2006-7
Report of	Chief Internal Auditor
Summary	The Committee is asked to note the 2006-7 Interim Internal Audit Annual Report and appendices.

Officer Contributors	Chief Internal Auditor
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	<p>Appendix A: 2006/7 Interim Internal Audit Annual Report</p> <p>Appendix B: 2006/7 Internal Audit Detailed Risk Analysis Summary</p> <p>Appendix C: 2006/7 Internal Audit Performance Indicators</p> <p>Appendix D: 2006/7 Internal Audit Annual Audit Plan Update</p>
For decision by	Audit Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	N/A

Contact for further information: Michael Bradley, Chief Internal Auditor 020 8359 7151

1 RECOMMENDATIONS

- 1.1 That the Committee note the contents of the report and the actions being carried out by the Internal Audit team to address deficiencies.**
- 1.2 That the Committee consider whether there are any areas on which they require additional action.**

2 RELEVANT PREVIOUS DECISIONS

- 2.1 The Audit Committee on 4th April 2006 included in the work programme for 2006/7, the Interim Internal Audit Annual Report for 2006/7.
- 2.2 The Audit Committee on 15 February 2006, having noted the Internal Audit 2004-5 Annual Report Update, instructed the Chief Internal Auditor, in future, to provide progress reports to the Committee on any areas where, in his professional opinion, no significant progress has been made by management in addressing audit findings, and that, in such circumstances, the Chief Internal Auditor be required to bring forward recommendations to the Committee (which it might accept or reject) on possible courses of action to achieve the required progress, which could include in exceptional circumstances calling the relevant Head of Service and/or Cabinet Member to attend and explain the situation to the Committee.

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Council is 'committed to managing the Council efficiently, getting the best value for money and investing in services that matter most to our residents.' (Corporate Plan).

4 RISK MANAGEMENT ISSUES

- 4.1 The purpose of the Interim Internal Audit Annual Report 2006/7 is to highlight to the Chief Executive, Audit Committee, lead member, Corporate Management Team and External Audit the findings of Internal Audit work conducted in 2006/7 (this will include some work carried forward from 2005/6).
- 4.2 The report identifies those areas which are of significant risk in the work undertaken by Internal Audit during this period.

5 EQUALITIES AND DIVERSITY ISSUES

- 5.1 It is an overriding principle that services provided to the whole community represent value for money in terms of quality, efficiency and effectiveness.

6 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 6.1 None directly as a result of this report but it is for Directors and Heads of Service to determine whether addressing any of the risks identified by internal audit reports will require additional resources.

7 LEGAL ISSUES

- 7.1 None

8 CONSTITUTIONAL POWERS

- 8.1 Constitution Part 3 Paragraph 2 details the functions of the Audit Committee including “To consider the Head of Internal Audit’s annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council’s corporate governance arrangements”.

9 BACKGROUND INFORMATION

Introduction

- 9.1 The report provides summary details of all Internal Audit reports which have been agreed and finalised with clients as at 16 October 2006. The report also identifies and gives more detail on those areas which are of significant risk. This is a planned report within the 2006/07 work programme for this Committee.

Executive Summary

- 9.2 Although it is impractical to give an overall opinion on the control environment, generic control weaknesses are identified in the analysis document at Appendix B. As can be seen, the most recurring areas of weakness are:

- Either no or inadequate policies and procedures (21 instances out of a total 137 reported risks made).

Findings in this area do not necessarily mean that policies and/or procedures do not exist but that improvements or additions to existing policies and/or procedures may be required.

The generic risks that result from these omissions include potentially: lack of consistency; standards not being set, understood or complied with; loss of knowledge due to staff changes; increased training time for new staff.

- Inadequate authorisation procedures (13/137)

Lack of adequate authorisation procedures can bring exposure to decisions being taken outside delegated limits, budgets being under inadequate control and potential fraud and irregularity

- Inadequate data entry arrangements (12/137)

The generic risks that result from these omissions include potentially: ineffective decision making based on inadequate information; adverse external inspection finding on data integrity.

- The procedures established are not maximising returns on the Council's assets (12/137)

9.3 We have agreed management action to address weaknesses recorded in the respective reports, which, if implemented, will improve the overall control environment.

9.4 28% of risks were assessed by internal audit as 'Priority 1', signifying that there was a 'significant risk that either objectives will not be met efficiently and effectively or that fraud or irregularity is unlikely to be prevented or detected'.

9.5 72% of risks were 'Priority 2', signifying 'only limited assurance that objectives will be met efficiently and effectively and that fraud or irregularity will be prevented or detected'.

Follow-ups

9.6 All Internal Audit work is followed up as a matter of course. The interim annual report provides summaries of the findings at follow-up audits. Follow-ups indicate how the level of audit assurance has changed as a result of management implementation of agreed actions. Details of the assurance revisions on the 15 follow-ups conducted in the report period are detailed below. It is encouraging that 11 of the areas are now at a 'satisfactory' level of assurance and this is a marked improvement in this area. Four remain at 'limited' indicating that further management action is required to fully implement agreed actions or mitigate identified risks.

Analysis of Assurance Levels on Follow-up	No.
No assurance still no assurance	0
Limited assurance still limited assurance	3
No assurance to limited assurance	1
No or limited assurance to satisfactory assurance	8
Satisfactory assurance still satisfactory assurance	3
Total	15

Adult Social Services

9.7 Recent Internal Audit work in Adult Social Services has resulted in a number of final audit reports which have identified significant control weaknesses. These include Direct Payments, Contract Management, Learning Disabilities, BVPIs and the Strategic Health Partnership. Final reports have been issued with agreed action plans on each of these and follow-up visits have been scheduled. To try to assist in improving the control environment in this area, the following steps have been taken (after close consultation with the Head of Service):

- a Senior Principal Auditor has been seconded to the service to provide consultancy advice and guidance on addressing some of the significant risk areas. The remit of this secondment includes providing advice and guidance on improving the risk and control arrangements in Direct Payments, Risk Management, the Red Cross Contract, the Meals on Wheels contract and Data Quality. (It should be noted also that a 'no assurance report on BVPIs and data quality has recently been turned around to a 'satisfactory assurance'.) The auditor is also closely involved with the Core Remodelling Programme (see below) which will seek to address the weaknesses in Contract Management amongst other key areas such as procurement and commissioning.
- the audit plan for the remainder of 2006/7 has been redefined. The audit resource will be allocated to a programme of work entitled the 'Core Remodelling Programme' which the service has identified as a means of tackling inherent procedural deficiencies as well as preparing for a soon to be significantly restructured service. The planned audit resource will be targeted at inputting to the risk and control issues arising from new and developing policies, procedures and structures.

We are informed that a detailed strategy and implementation plan for achieving completion of core remodelling by the end of March 2007 is in preparation and will be agreed by the Social Services Senior Management Team in early November 2006. Internal audit is contributing to the development of the strategy and plan through the seconded auditor to ensure that proposals effectively address the areas of weakness identified through audit work, and that the programme plan is effectively controlled.

Corporate Governance and Risk Management

Corporate Governance

9.8 We conducted a corporate governance review in 2002-3. The follow-up review was completed in 2003-4 and concluded that significant improvements had been made but identified that further improvements were required regarding performance management, risk management and financial systems.

9.9 We are currently at the planning stage of an audit of corporate governance which was included in the annual audit plan for 2006/7. This is currently on

hold until the proposed Directorate of Corporate Governance is formally in operation and we agree a way forward with the Director.

- 9.10 The proposed creation of the Directorate of Corporate Governance presents opportunities to strengthen and enhance the Council's arrangements in this area. The Chief Internal Auditor post will report to the Director of Corporate Governance under the proposed new arrangements, but will also have the ability to report direct to the Chief Executive. Arrangements for audits internal to the new Directorate will be agreed with the external auditors.

Risk Management

- 9.11 We undertook a formal audit of the processes and arrangements in place to deliver an embedded risk management structure in 2003-4. The overall conclusion was limited assurance that objectives would be achieved as implementation was at an early stage. The Council's external auditors, Robson Rhodes, conducted a further full audit of Risk Management in 2005-6 which included following up the recommendations made in the Internal Audit report. We have relied on the work of external audit in this area. External Audit's final report came to the conclusion that:

'The current arrangements and processes form a good foundation for further developing risk management so that the areas for improvement identified during our review can be addressed.'

- 9.12 The action plan from that review is being taken forward by the newly assigned Corporate Risk Manager. We are currently at the fieldwork stage of the audit of corporate governance included in the annual audit plan for 2006/7.
- 9.13 Since the publication of this report the Resources Directorate has designed and implemented a control framework to support the development of the annual Statement of Internal Control (SIC). This requires every service to complete an 'Internal Control Checklist' which is focussed on the key generic risks to all services as well as a 'Mini-SIC' which requires Heads of Service to certify that their risk management and governance arrangements are satisfactory. The mini- SIC also highlights any significant control breaches in the year of coverage.
- 9.14 These arrangements have raised the profile of risk management across the Council, improved understanding and provided an auditable framework. The framework has been recognised by both ourselves and the External Auditors as a significant step forward in the overall control environment of the Council. Internal Audit will formally review risk management again in quarter 3 of 2006-7.
- 9.15 As part of our contribution to embedding risk management, Internal Audit have adopted a new approach to reporting. From 1 April 2005, we stopped making recommendations in reports, instead highlighting the risk associated with the finding from the audit. The management action required to address this risk is then discussed and agreed at the relevant exit meeting. We remain flexible,

however, and when clients request recommendations from us, we provide them as 'suggested recommendations'. We will be formally reviewing this approach in 2006/7 although feedback so far has been almost entirely positive.

10 LIST OF BACKGROUND PAPERS

10.1 None.

Legal: JEL
CFO: CM

Appendix A

Interim Internal Audit Annual Report 2006/7

For a copy of this appendix please telephone 020 8359 2205

Internal Audit Performance Indicators 2006-7 @ 16.10.06

PI Ref	PERFORMANCE INDICATOR	TARGET 2006/07 (annual & cumulative)	Position at end of:			
			Q1 2006/07	Q2 2006/07	Q3 2006/07	Q4 2006/07
1	Percentage of 2006/07 audit plan completed compared to what was planned.	92% This is the combined figure for systems, follow-ups and projects.	2% complete or at draft report 23% at various stages of work in progress	16% complete or at draft report plus 29% at various stages of work in progress		
2	Percentage of Audit reports followed up within 12 months of issue of final report	100%	0% complete or at draft report 8% at various stages of work in progress	13% complete or at draft report plus 25% at various stages of work in progress		

2006/07 Annual Audit Plan Update @ 16/10/06

Notes:

1. Audit work highlighted in **bold** is additional work not shown on original 2006/07 Audit Plan which includes:

Newly commissioned work 2006/07

Work carried forward from 2005/06

Work deferred from 2005/06

2. Under 'Original Quarter Planned' numbers in brackets indicate original start quarter for jobs which have been moved.

3. Under 'Title of Audit/Project' titles in italics indicate that the audit has been renamed.

4. Under 'Job Type' the key is as follows:

S = System

KS = Key System

KC = Key Control

F = Follow-up

P = Project

V = Probity Visit

5. Under 'Status' the key is as follows:

PL = Planning stage

FW = Fieldwork stage

DR = Draft Report stage

FR = Final Report stage

ML = Management Letter

CF = Carry Forward job

TOR = Terms of Reference

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
CORPORATE SUPPORT including Corporate Performance Office, Consultation & Communications				
CPO	1	Central Complaints follow-up	F	Issued 16/10/06 (deferred from 2005/06)
CPO	2	BVPIs (Community Services) follow-up	F	Issued 06/10/06
CPO	2	Community Strategy (<i>Community Plan</i>)	S	PL stage
CPO	2	Consultation	S	FW stage
CPO	2/3	Golden Thread	S	FW stage
CPO	2/3	Performance & Policy Cycle	S	FW stage
CPO	3	LPSA Claim (Probity audit)	V	PL stage
CPO	4	Constitution 05/06 follow-up	F	PL stage
CPO	4 (2)	Corporate Governance 06/07	KC	Not started
CPO	4 (3)	Partnership Arrangements 06/07	KC	Not started
CPO	2	BVPIs	S	Cancelled due to change of approach to auditing data quality.
LAW & PROBITY including CAFT, Democratic Services, Elections & Land Charges, Legal, Overview & Scrutiny and Registrars				
Legal	4	Money Handling follow-up	F	Not started
CAFT	3	Business Continuity 06/07	S	Not started
CAFT	3	Emergency Planning	S	Not started
CAFT	4 (3)	Money Laundering	S	Not started
DS	CF 2005/06	Constitution	S	Issued 05/07/06
DS	4	RDT System follow-up	F	Not started
E&LC	4	General Elections follow-up	F	Not started
E&LC	4	Municipal Elections	S	Not started
Reg	4	Births, Deaths & Marriage Certificates follow-up	F	PL stage
RESOURCES: STRATEGIC SERVICES including Strategic Finance, SPT, Strategic HR, IS Strategy and Property Services				
SF	3	Treasury Management follow-up	F	FW stage
SPT	CF 2005/06	Letting of Contracts/DPRs	S	Issued 21/06/06
SPT	2	Central Contracts Monitoring Unit	S	PL stage
SPT	4	Letting of Contracts/DPRs follow-up	F	Not started

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
Strat HR	CF 2005/06	Safer Recruitment	S	Final issue deferred until completion of Recruitment Phase I audit
Strat HR	2	Use of Consultants follow-up	F	PL stage
Strat HR	3	Attendance Management	S	FW stage
Strat HR	3	Human Resources Strategy	S	Not started
Strat HR	4	Safer Recruitment follow-up	F	Not started
Strat HR	4	Equalities follow-up	F	Cancelled as briefing document only issued i.e. no recommendations
IS Strat	4	IS Development Systems follow-up	F	Not started
IS Strat	4	IS/IT Strategy follow-up	F	PL stage
PS&V	2	Management of HRA Shops follow-up	F	FW stage
PS&V	3	Accommodation Strategy	S	PL stage
PS&V	3	Property Asset Management	S	Not started
RESOURCES: SHARED SERVICES including Shared Service Centre, Infrastructure & IS Ops, Revenues, Finance Support Services, Corporate Services and Shared HR Services				
SSC	1	Document Management Systems follow-up	F	Issued 03/10/06
SSC	3 (2)	Competency Centre	S	Not started
SSC	3	Content Management System follow-up	F	PL stage
SSC	3	Modernising Our Infrastructure 06/07 follow-up	F	Not started
SSC	Closed	Modernising Core Systems 06/07	P	ML2 issued 17/06/06 (Phase II: Review Post Project Closure)
SSC	Closed	Modernising Our Infrastructure 06/07	P	ML2 issued 06/09/06 (Project Progress)
SSC	3	Electronic Social Care Records 05/06 project follow-up	F	Cancelled as no recommendations in original project
SSC	4	Service Desk 06/07 project follow-up	F	Cancelled as project cancelled
SSC	Ongoing	Service Desk 06/07	P	Cancelled as now to be reviewed in the Competency Centre audit
I&IS Ops	1	E-mail 06/07	S	DR stage (deferred from 2005/06)
I&IS Ops	1	Physical and Environmental Review	S	FW stage (deferred from 2005/06)
I&IS Ops	1	Service & Patch Management (Upgrade Control)	S	FW stage (deferred from 2005/06)
I&IS Ops	2	Computer Misuse and the Law 06/07	KC	FW stage
I&IS Ops	2	Mobility follow-up	F	FW stage
I&IS Ops	2	Operating Systems follow-up	F	FW stage
I&IS Ops	3	IT Assets Management and Disposals	S	FW stage
I&IS Ops	4	E-mail follow-up	F	Not started
I&IS Ops	4 (2)	Freedom of Information Act 05/06 follow-up	F	Not started
I&IS Ops	4	Infrastructure	S	Not started

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
I&S Ops	4	Physical and Environmental Review follow-up	F	Not started
I&S Ops	4	Service & Patch Management follow-up	F	Not started
Revs	CF 2005/06	Debt Management/Debtors 05/06	KS	Issued 27/07/06
Revs	1	Debtors Balance Sheet	S	Issued 11/10/06
Revs	2	Bailiffs follow-up	F	PL stage
Revs	2	Cash Collection Axis System follow-up	F	Not started
Revs	3	Accounts Receivable: Income & Debt Management	KS	Not started
Revs	3	Council Tax 06/07	KS	Not started
Revs	3	Council Tax 05/06 follow-up	F	Not started
Revs	3	Debt Management/Debtors 05/06 follow-up	F	Not started
Revs	3	NNDR/Business Rate 06/07	KS	Not started
Revs	3	NNDR/Business Rate 05/06 follow-up	F	Not started
Revs	Closed	Pericles: Council Tax 06/07	P	ML3 issued 04/07/06 (Conversion)
Revs	Ongoing	Grants 06/07	P	Cancelled due to restructure & HoS request.
FSS	CF 2005/06	BACs 05/06	S	Issued 21/06/06
FSS	CF 2005/06	Budgetary Control 04/05 follow-up	F	Issued 28/09/05
FSS	CF 2005/06	Cashbook Reconciliation & Banking (KC) 05/06 inc 04/05 f-up	KS + F	Issued 21/06/06
FSS	CF 2005/06	Creditors 05/06 inc 04/05 follow-up	KS + F	Issued 21/06/06
FSS	CF 2005/06	Financial Systems & General Ledger 05/06	KS + F	Issued 11/09/06
FSS	CF 2005/06	Valuation & Accounting for Fixed Assets	F	Issued 23/05/06
FSS	CF 2005/06	VAT 05/06 inc 04/05 follow-up	S + F	Issued 04/07/06
FSS	1	Creditors: Balance Sheet	S	Issued 27/09/06
FSS	1	P-Cards	S	Issued 08/08/06 (deferred from 2005/06)
FSS	2	Milly Apthorpe 06/07	V	Issued 09/08/06
FSS	2	School Balances: Scheme for Financing	S	Issued 09/10/06
FSS	3	BACs 05/06 follow-up	F	Not started
FSS	3	Capital Expenditure	S	Not started
FSS	3 (2)	Fixed Assets	KS/KC	Not started
FSS	3 (1)	Stock Systems	KS/KC	Not started
FSS	4	Accounts Payable: Payments	KC	Not started
FSS	4	Accounts Payable: Payments 05/06 follow-up	F	Not started
FSS	4	Banking follow-up	F	Not started
FSS	4 (1)	Budgetary Control 06/07	S	Not started
FSS	4	Cashbook Reconciliation	KC	Not started
FSS	4	Cashbook Reconciliation 05/06 follow-up	F	Not started
FSS	4	Financial Systems & General Ledger 05/06 follow-up	F	Not started
FSS	4	P-Cards follow-up	F	Not started

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
FSS FSS	4 (3) Ongoing	VAT 05/06 follow-up Debt Management Strategy 06/07	F P	Not started PL stage
Corp Serv	3 (2)	Risk Management	S	PL stage
Shared HR Shared HR Shared HR Shared HR Shared HR Shared HR Shared HR	CF 2005/06 2 (1) 3 4 4 4 (3) 4 Ongoing (3)	Payroll 05/06 inc 04/05 follow-up Recruitment Phase I Teacher's Pensions further follow-up LG Pensions Service 06/07 LG Pensions Service 05/06 follow-up Payroll 05/06 follow-up Recruitment follow-up Devolved HR Operations	KS + F S F KC F F F P	Issued 19/10/06 FW stage Not started Not started Not started Not started Not started Not started
Shared HR	3	Payroll 06/07	KC	Deferred to 2007/08 as 2005/06 audit not yet finalised
RESOURCES: ORGANISATIONAL DEVELOPMENT & CUSTOMER SERVICES including Customer Services, Organisational Dev't & Change Management and Information Observatory				
CS CS CS	3 (2) 3 4 (3)	Customer Care e-Government follow-up Web Content Management	S F S	Not started PL stage Not started
I Obs I Obs I Obs	3 4 Ongoing	Shared Information and Business Intelligence Project Support IS Follow-up Review 06/07	S S P	Not started Not started Position Statement 2 at FW stage
CHILDREN'S SERVICES: Children & Families and Education				
Director CS	3	Children's Act 06/07	S	Not started
C&F C&F C&F	3 4 (3) 4	Child Protection Fostering Looked After Children 06/07	S S S	Not started Not started Not started (deferred from 2005/06)
C&F	3	Looked After Children follow-up	F	Deferred to Q4 07/08 as original audit was deferred from 2005/06
ED ED	CF 2005/06 CF 2005/06	Education Finance Research & Management Information I	S S	FR stage Issued 17/05/06

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
ED	CF 2005/06	Teacher's Pensions 04/05 follow-up	F	Issued 13/02/06
ED	1	Schools Asset Management	S	FW stage
ED	2	Development and Consultancy	S	DR stage
ED	2	SEN Budget and Contract	S	FW stage
ED	2	Stock Management	S	Not started
ED	3	Catering	S	Not started
ED	3	Mngt Info Arrangements in Youth Service & Early Years	S	PL stage
ED	3	Use of Premises	S	Not started
ED	4	Education Finance follow-up	F	Not started
ED	4	HR Data from Schools	S	Not started
ED	4	Research & Management Information I follow-up	F	Not started
ED	Ongoing (2)	Human Resources Traded Services	S	TOR agreed
ED	Ongoing	Primary Schools Capital Programme 06/07	P	TOR agreed
ED	4	Performance Mngt of SEN Specialist Service	F	Cancelled as original audit was cancelled
COMMUNITY SERVICES: Adult Social Services, Housing & Strategic Development Unit				
ASS	CF 2005/06	Community Care Income	S	DR stage
ASS	CF 2005/06	Recruitment & Retention	F	Issued 04/07/06
ASS	CF 2005/06	Strategic Planning & Health Partnership	S	Issued 14/09/06
ASS	1	Learning Disability	KC	DR stage
ASS	4 (1)	ASS Income and Assessment	S	On hold due to Core Remodelling Programme
ASS	4	ASS Income follow-up	F	On hold due to Core Remodelling Programme
ASS	4 (2)	Community Care Grant System follow-up	F	On hold due to Core Remodelling Programme
ASS	4 (1)	Data Capture	S	On hold due to Core Remodelling Programme
ASS	4	Direct Payments follow-up	F	On hold due to Core Remodelling Programme
ASS	4	Electronic Social Care Records	S	On hold due to Core Remodelling Programme
ASS	4	Homecare	S	On hold due to Core Remodelling Programme (deferred from 2005/06)
ASS	4 (3)	Information Management/SWIFT follow-up	F	On hold due to Core Remodelling Programme
ASS	4 (2)	Reviews (<i>Reviewing Team</i>)	S	On hold due to Core Remodelling Programme
ASS	4	Strategic Planning & Health Partnership follow-up	F	On hold due to Core Remodelling Programme
ASS	Ongoing	Electronic Single Assessment Process 06/07	P	PL stage
ASS	Ongoing	Financial Management & Invoice Payments 06/07	P	On hold due to Core Remodelling Programme
ASS	4	Homecare follow-up	F	Deferred to 2007/08 as audit moved to Q4 06/07
ASS	4	Reviews (<i>Reviewing Team</i>) follow-up	F	Deferred to 2007/08 as audit moved to Q4 06/07
ASS	4	Procurement & Contract Management follow-up	F	Cancelled as ML will be followed up during Core Remodelling Programme

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
HSG	CF 2005/06	Housing Rents 05/06 (KC)	KS	Issued 16/10/06
HSG	1	Barnet Homes Monitoring follow-up	F	FW stage
HSG	2	Decent Homes Investment Programme	S	FW stage
HSG	2	Home Ownership	S	PL stage
HSG	2 (1)	Housing Needs and Resources	S	FW stage
HSG	2	Rent Deposit Schemes	KC	DR stage
HSG	3	Affordable Housing follow-up	F	PL stage
HSG	3	Housing Benefits 06/07	KS	Not started
HSG	3	Housing Benefits 05/06 follow-up	F	Not started
HSG	3	Housing Rents follow-up	F	Not started
HSG	3	Housing Revenue Account	S	Not started
HSG	4	Housing Strategy & Performance	S	Not started
HSG	Closed	Pericles: Housing Benefit 06/07	P	ML3 issued 04/07/06 (Conversion)
SD	Ongoing	Cricklewood & Brent Cross Regeneration 06/07	P	Not started
SD	Ongoing	Grahame Park Regeneration 06/07	P	TOR for 06/07 being agreed
SD	Ongoing	Stonegrove Regeneration 06/07	P	Not started
SD	Ongoing	West Hendon Regeneration 06/07	P	Not started
ENVIRONMENT: Environment & Transport and Planning & Environmental Protection				
E&T	CF 2005/06	ECT Contract Monitoring	S	Issued 11/09/06
E&T	CF 2005/06	Rechargeable Works & Other Income	S	Issued 16/10/06
E&T	CF 2005/06	Street Enforcement Service	S	Issued 21/06/06
E&T	1	Green Space	S	DR stage
E&T	1 (2)	Grounds Maintenance follow-up	F	DR stage
E&T	1	Parking Unit Project follow-up	F	Issued 19/10/06
E&T	1	Stores	S	Issued 13/10/06
E&T	2	Refuse Commercial: Trade Waste	S	PL stage
E&T	2	Winter Maintenance	S	DR stage
E&T	3	Graffiti	S	Not started
E&T	3	Parking Control 06/07	KC	Not started
E&T	3	Parking Control 04/05 (completed January 06) follow-up	F	Not started
E&T	3 (1)	Public Transportation and Traffic Management	S	Not started
E&T	3	Street Enforcement Service follow-up	F	Not started
E&T	3	TMA 2004	S	PL stage
E&T	4	Transport	S	Not started
E&T	4	Transport for London 05-06 follow-up	F	PL stage
E&T	4 (3)	Waste Management 2006/07 (<i>Waste Minimisation</i>)	S	PL stage

Service	Original Quarter Planned	Title of Audit/Project	Job Type	Status
E&T	4	Income for Works & Services follow-up (<i>Rechargeable Works & Other Income</i>)	F	Deferred to Q1 2007/08 as 2005/06 audit not yet finalised.
E&T	4	Recycling (<i>ECT Contract Monitoring</i>) follow-up	F	Deferred to Q1 2007/08 due to agreed action implementation dates.
E&T	Closed	PFI Roads, Pavements & Streetlights 06/07	P	Closed as no further IA input required
P&EP	1	Planning Service (further) follow-up	F	Issued 27/09/06
P&EP	1	Works in Default	S	DR stage
P&EP	2	Regulatory Services follow-up	F	Issued 16/10/06
P&EP	2	Trading Standards f-up	F	Issued 08/09/06
P&EP	3	Building Control	S	PL stage
P&EP	3	Licenses follow-up	F	FW stage
P&EP	Ongoing (1)	Hendon Cemetery & Crematorium	P	Not started

AGENDA ITEM: 7 Page nos. 36-55

Meeting	Audit Committee
Date	16 November 2006
Subject	Supporting a Successful Suburb: Proposal for Organisational Change – Corporate Governance Directorate
Report of	Borough Solicitor Chief Internal Auditor
Summary	This report sets out the implications of the organisational change approved by General Functions Committee on 1 st November 2006 – specifically the creation of the Corporate Governance Directorate.

Officer Contributors	Borough Solicitor Chief Internal Auditor
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	Appendix A – Public Report to General Functions Committee on 1 November 2006 - ‘Supporting a Successful Suburb Proposal for Organisational Change’
For decision by	Audit Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	N/A
Contact for further information:	Jeff Lustig, Borough Solicitor 020 8359 2008 Michael Bradley, Chief Internal Auditor 020 8359 7151

1 RECOMMENDATIONS

- 1.1 That the Committee note the contents of the report.

2 RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet on 16 October 2006 decided that the strategic changes to the Council's organisational focus and culture to meet the aims of "Supporting a Successful Suburb", be noted and endorsed.
- 2.2 General Functions Committee on 1 November 2006 resolved that the restructuring and employment issues affecting the Council's Senior Management Structure, Childrens' Services Management Structure and Corporate Governance Structure be agreed and become effective from 1 December 2006 and that the Chief Executive be instructed to implement the new officer structure.

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The organisational change referred to in this report supports the vision in the Corporate Plan to create a Successful Suburb in a Successful London.

4 RISK MANAGEMENT ISSUES

- 4.1 The establishment of the Corporate Governance Directorate presents an opportunity to promote the good practice that exists in some areas of the Council's corporate governance framework as well as strengthening those areas which are not fully embedded and of themselves present issues of significant risk to the Council.
- 4.2 The need to have some reduction in the level of Internal Audit activity may reduce the effectiveness of the Chief Internal Auditor's opinion on the assurance senior managers and the Audit Committee can have that objectives are likely to be met efficiently, effectively and economically. However, this needs to be balanced against the complementary impact on audit outcome issues through the activities of the Governance Manager and that any reduction of traditional audit activity will not be highly significant in volume nor in respect of identified areas of high risk.

5 EQUALITIES AND DIVERSITY ISSUES

- 5.1 It is an overriding principle that services provided to the whole community represent value for money in terms of quality, efficiency and effectiveness.

6 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 6.1 None directly as a result of this report as the costs of the Governance Manager post will be met from the existing budget for Internal Audit.

7 LEGAL ISSUES

- 7.1 None

8 CONSTITUTIONAL POWERS

- 8.1 The Audit Committee's Terms of Reference at item 12 require it 'to monitor the effective development and operation of risk management and corporate governance in the Council'.

9 BACKGROUND INFORMATION

Introduction

- 9.1 The restructuring and employment issues affecting the Council's Senior Management Structure, Children's Services Management Structure and Corporate Governance Structure as endorsed by Cabinet and approved by the General Functions Committee (see Appendix) become effective from 1 December 2006.

Executive Summary

- 9.2 The Corporate Governance Directorate will bring together the key elements of the corporate governance framework within the organisation. This will both consolidate good practice and raise the profile and awareness of governance activities throughout the Council. Whilst elements such as the Audit Committee are already cited as examples of national best practice, the intention is that the entire Directorate will be a centre of excellence setting standards for modern, proactive and cost-effective governance in local government.
- 9.3 The establishment of the Directorate will also present an opportunity to provide assurance on the organisation's external governance arrangements. With an increasing number of Council services delivered in partnership and potentially in the future through further devolved bodies, it is important that sound governance standards are in place.
- 9.4 As part of this reorganisation, the Chief Internal Auditor will become Head of Internal Audit and Ethical Governance and a Governance Manager post will be created within the Internal Audit function directly reporting to the Head of Internal Audit and Ethical Governance.
- 9.5 The Governance Manager will be responsible for, as a minimum:

- Ethical Governance framework and audit;

- Constitutional review;
 - Standards Committee arrangements;
 - Freedom of Information /Data Protection;
 - Maladministration/ Ombudsman – overview, monitoring and liaison;
 - Directorate of Corporate Governance - internal governance arrangements.
- 9.6 This approach will strengthen the assurances of effectiveness in all these areas. It is not unusual, in circumstances where limited or no assurance can be given as an audit outcome, that there are also significant deficiencies of awareness and compliance on governance issues. The intention therefore is for the work of the Governance Manager to complement that of existing audit activity and, through activities directed at improving awareness and implementing good governance practices, to assist in delivering better audit outcomes. Furthermore, the introduction of the statements of internal control throughout the Council should improve overall internal control arrangements over time, and ought to reduce pressure on audit if done properly. Also, having been a stand alone service for a year, Internal Audit will now be part of a much larger Directorate where there will be the possibility of considering budget virements to deal with particular peaks in workload. There will, of course, be enhanced scope for much closer working alongside CAFT, Legal Services and other teams within the new Directorate.
- 9.7 The Governance Manager will be a non-auditor post and will be funded from within the unit's current budget. As a result, and taking account of the proactive work of the Governance Manager, there will necessarily be some reduction in audit projects in 2007-8 and beyond. The intention is that this reduced audit project activity would be in relation to areas identified as being of lower risk and will not have a significant impact on the main body of work carried out by the Internal Audit team.
- 9.8 It is good practice at any time to keep under review the best application of audit activity and the Chief Internal Auditor will be developing the annual audit plan for 2007-2008 in December 2006 and January 2007 based on our annual risk assessment of all the Council's activities. We will then allocate available audit resources to the auditable areas with the highest risk ranking (having first allowed for follow-up audits, audits of key financial systems and schools assurance work to meet the new requirements of the Financial Management Standard in Schools). The Committee will receive at a future meeting the audit plan for 2007/8 which will detail audit coverage for that period as well as identifying reduced activity.
- 9.9 To ensure adequate independence and objectivity of review, we will be discussing with our external auditors the arrangements for audit of the Governance function. This may involve a reciprocal review with a peer authority.

10 LIST OF BACKGROUND PAPERS

10.1 None.

Legal: JEL
CFO: CM

AGENDA ITEM: 7

Page nos.

Meeting Special Meeting of the General Functions Committee

Date 1 November 2006

Subject Supporting a Successful Suburb Proposal for Organisational Change

Report of Chief Executive

Summary This report has regard to the new strategic direction of the Council in the light of Cabinet decisions and proposes changes to the organisation of the Senior Management Structure to meet the aim of Supporting a Successful Suburb.

Officer Contributors Leo Boland, Chief Executive
 Status (public or exempt) Public (with separate exempt section)
 Wards affected All
 Enclosures Appendix A: Proposed Organisational Design
 Appendix B: Corporate Governance Directorate, Functions
 Appendix C: Corporate Governance Directorate Organisational Structure Chart
 Appendix : D Proposed Management Structure for Children's Services

For decision by General Functions Committee
 Function of Council
 Reason for urgency / exemption from call-in (if appropriate) Not applicable

Contact for further information: John Kitching, Head of Strategic HR,
 Tel:0208 3597952

1 RECOMMENDATIONS

- 1.1 That the restructuring and employment issues affecting the Council's Senior Management Structure, Children's Services Management Structure and Corporate Governance Structure as shown in Appendices A to D in this report and the Appendix detailed in the exempt report be agreed and become effective from 1st December 2006.**
- 1.2 That the Chief Executive be instructed to implement the new Officer Structure as referred to in (1.1) above.**
- 1.3 That any individuals whose employment may be at risk be dealt with according to the Council's Managing Change Policy.**
- 1.4 That the Chief Executive be instructed to issue any notices of redundancy as appropriate and capitalise any costs arising from the redundancies.**

2 RELEVANT PREVIOUS DECISIONS

- 2.1 The current organisational structure of the Council was established by Cabinet and General Functions Committee in June 2001.
- 2.2 The deletion of the post of Director of Environment approved in delegated powers report (107) signed on 26th September 2006.
- 2.3 Any decision taken by Cabinet to agree the overall direction of the Council at 16 October 2006 meeting (Subject to consideration by Cabinet Overview and Scrutiny Committee on 23 October 2006).

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 This report supports the vision in the Corporate Plan to create a Successful Suburb in a Successful London.

4 RISK MANAGEMENT ISSUES

- 4.1 Unless there is a robust senior management structure to support the new strategic direction of the Council, the organisation will not be able to meet the objectives set out in the Community and Corporate Plans.

5 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATION

- 5.1 The key implications arise from the staffing issues,. Part of the budget for which the Chief Executive is accountable is made up overwhelmingly of

staffing costs and therefore a diminution in the number of staff is the only way significant savings can be achieved. The current savings target is £220,000.

- 5.2 Individuals whose employment is at risk through the deletion of posts will be dealt with according to the Council's Managing Change Policy.
- 5.3 There will be significant savings arising from these proposals. These will need to be netted off against consequent salary increases following revaluation of the remaining posts to take account of increased responsibilities. The net savings will be in excess of £200,000 per annum.
- 5.4 There are no property or ICT implications.

6. LEGAL ISSUES

- 6.1 As referred to in the report.

7 CONSTITUTIONAL POWERS

- 7.1 Constitution, Part 3 - Responsibility for Functions - Section 2 - Responsibility for Council Functions – General Functions Committee – Organisational restructures which have major implications must be submitted to the General Functions Committee for approval.

8. BACKGROUND INFORMATION

- 8.1 The current organisational structure of the Council was established by Cabinet and General Functions Committee in June 2001. Since this restructure, the structure of Barnet Council has been aimed primarily at improving the performance of services. All Council services are now adjudged "good" demonstrating that this approach has been successful. While improving service performance remains a fundamental objective of the Council, to fulfil its duty to its residents the Council has to do more than provide high quality, good value services.
- 8.2 A recent SOLACE report into how this changing environment impacts on the jobs of senior managers proposes that the job of Chief Executives, and their most senior colleagues, has changed radically in the last period of years. The roles of senior management now need to be more;
 - i) explicit about the political environment
 - ii) outward looking, stressing impact on residents, not just via services

- iii) loosely based on hierarchical command and control, stressing the influence on other bodies and delivery of services with partners
- iv) realistic, with work done within the constraints of higher public expectations of performance and lowering willingness to pay extra taxes.

8.3 Directors now need to have more outward looking roles, moving from direct command and control of Heads of Service to that of supporting the Council's community leadership role. It is now proposed that there be a reduction of one from the current number of Directors to reflect the different demands of the role and realign the responsibilities of the current Heads of Service.

8.4 The Council's main focus will be in three main strands:

It is proposed that there be Executive Directorates for:

- **The Place** – the Executive Director for Environment and Development
- **The People** - the Executive Director for Communities
- **The Organisation** – the Executive Director of Resources

8.5 The Executive Directors would be supported by 4 Service Directors

It is proposed that there be four such posts:

- Director of Children's Services
- Director of Adult Social Services
- Director of Environment and Transport
- Director of Planning and Environmental Protection

8.5.1 Director of Children's Services

The Children Act 2004 requires that the authority appoints a Director of Children's Services by 2008 at the very latest but the expectation is that the arrangement will come into force by 2007. Currently we have a Director of Children's Services, with Education and Children's and Families services continuing as separate divisions of activity with the Heads of Service retaining the statutory roles of Chief Education Officer and Director of Social Services.

The creation of the Director of Children's Services as the statutory post will mean that the posts of Chief Education Officer and Head of Children and Families will be amalgamated. This will entail further work to integrate Education and Children and Families into a unified Children's Service. A draft proposal for revised management responsibilities is attached as Appendix D. This draft proposal, which is subject to consultation with Trades Unions, would provide stability at senior management level while supporting greater integration of service delivery. No redundancies are proposed.

8.5.2 Director of Adult Social Services

The same Act requires the simultaneous appointment of a Director of Adult Social Services.

Both of these posts are according to this to be "directly accountable to the Chief Executive and be comparable in terms of seniority."

In order to satisfy the requirement of direct reporting to the Chief Executive, biannual meetings will be held between the Chief Executive and Director of Adult Social Services, and Director of Children's Services to agree and monitor annual performance.

8.5.3 Director of Environment and Transport & Director of Planning and Environmental Protection

Between 2002 and 2006, Barnet has moved, from being largely a 2 star authority to largely a 3 star authority. This will be reflected in a movement upwards in star-rating in the next national report. The managerial element of this success has been led by the team of Chief Officers currently in post. The last Chief Officer was appointed over two years ago. This is at a time when there is much flux in the London Chief Officer job market following the May elections. It is proposed that these two posts are re-designated as Service Directors to recognise the challenges of the roles and to ensure management continuity to deliver the corporate priorities in the Environment Theme.

8.6 Director of Corporate Governance

The Audit Commission defines corporate governance as: 'a framework of accountability to users, stakeholders and the wider community, within which organisations take decisions and lead and control their functions to achieve their objectives'.

The Executive is of the view that the activities that make up this function now need to be focussed more specifically. In Barnet corporate governance embraces the current functions of Law and Probity (excluding some operational activities such as Local Land Charges, Registrars and the Mayoral and Civic Events team) monitoring and coordinating responses to Ombudsman enquiries regarding maladministration, responsibility for access to information matters, an enhanced and co-ordinated anti crime intelligence operation, Internal Audit and support for the Audit Committee. The Executive believes that there is now an opportunity to signal the importance Barnet gives to this area by bolstering the existing support for the ethical framework and unifying this activity within a new Corporate Governance Directorate as set out at Appendix B.

It is therefore proposed that the Director of Corporate Governance post be created to replace the post of Borough Solicitor and that other senior posts within the Directorate be organised as shown on the structure chart at Appendix C, further details of which are set out in the Appendix to the exempt report. New posts are largely conversions from existing posts and more posts are deleted than created (only one potential redundancy is likely to arise). The arrangements will be funded from existing resources.

8.7 Communications and Consultation Director

The Communication and Consultation Director post is required for the next, more outward looking phase, of Barnet's progress. It is proposed that this post be designated a 'suffix' Director. This signals the central importance of the post but also recognises that the management responsibilities are not commensurate with Service Directors. It is proposed that the Consultation Section in the Corporate Performance Office be transferred to this area.

8.8 Head of Housing

Whilst the Head of Housing is a vital role in achieving high quality, desirable and modern homes for everyone in Barnet, this post does not carry the same responsibilities as the proposed new roles of Service Directors. It is not proposed that any changes are made to the designation or accountability relationship for this post.

8.9 Head of Corporate Performance Office

It is not proposed to fill this vacant post. The following arrangements are proposed for the remaining Corporate Performance Office staff.

Business and Performance

The work of the Business Improvement Section needs to feed into the budget and policy performance cycle. This function now aligns with the work of the Resources so that financial and performance monitoring and planning can be more fully integrated in one place. It is proposed that these staff transfer to Resources.

Local Partnerships and Policy

The functions of this section are largely people orientated and it is proposed that the staff report to the Executive Director for Communities. This mirrors the resource available to the Executive Director for Environment and Development in the Strategic Development Unit.

Consultation

The consultation work currently located in the Corporate Performance Office is proposed to transfer to the Communications Team, giving a clear and immediate feedback loop into the marketing activities of the Barnet 'product'.

8.10 Chief Finance Officer

The Chief Finance Officer will remain the Section 151 Officer with no change in access to Chief Executive and Chief Internal Auditor.

8.11 Head of Strategic Development

There are no proposed changes to the responsibilities or reporting arrangements for this post.

8.12 HR issues

Other than one Executive Assistant post and the Principal Local Land Charges Officer post, the restructure of the Council's senior management team leading to subsequent changes in Children's Services and Law and Probity (Corporate Governance) will not at present lead to any compulsory redundancies. Any future compulsory redundancies will be brought back to this Committee.

Any employee whose employment may be at risk will be dealt with according to the Council's Managing Change Policy and will be

considered in any report to this Committee concerning proposed budget reductions for 2007/8.

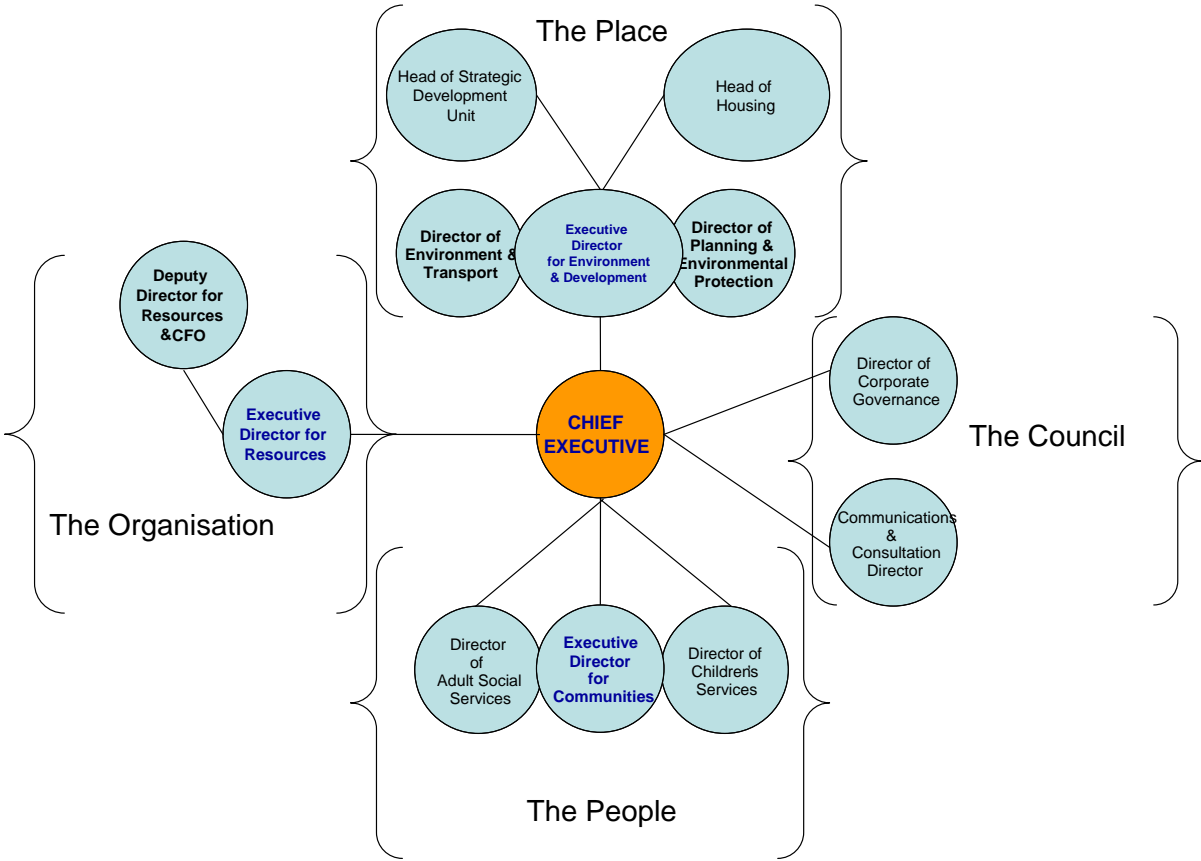
9. LIST OF BACKGROUND PAPERS

9.1 None

Legal: JEL

CFO: CM

APPENDIX A



Appendix B

SUPPORTING A SUCCESSFUL SUBURB: AN OVERVIEW OF ORGANISATIONAL CHANGE

CORPORATE GOVERNANCE DIRECTORATE

A. Proposed Responsibilities

1. Advising Members and Officers on their legal constitutional and ethical responsibilities and maintaining and ensuring regular reviews of the Constitution.
2. Managing the democratic processes of the Council.
3. Ensuring proper scrutiny and accountability.
4. Ensuring appropriate arrangements are in place for access to information for Members of the Council and the public.
5. Dealing with maladministration investigations by the Ombudsman.
6. Supporting the Standards Committee and Ethical Governance arrangements within the Council.
7. Ensuring proper arrangements are in place for legal proceedings and all other matters involving legal advice or casework for and on behalf of the Council.
8. Managing the internal audit function of the Council including the provision of support to the Audit Committee.
9. Providing an effective system of prevention and detection of fraud and corruption.
10. Maintaining a co-ordinated intelligence system to counter fraud, anti-social behaviour and other criminal activity adversely affecting the borough and its residents.
11. Managing an operational crime team to target anti social behaviour and associated activities.
12. Ensuring that effective emergency plan and business continuity arrangements are in place, and implementing those arrangements when required.

13. Ensuring that all appropriate arrangements are made as regards Members Support including training and development and the Members Allowances Scheme.
14. Delivering electoral registration services and the administrative arrangements for elections.

B Factors influencing Composition and Structure of Corporate Governance Directorate

1. The Directorate needs to be effective in ensuring that throughout the organisation the Council is acting lawfully and following its own rules.
2. It needs to be at the forefront of promulgating the Ethical Framework.
3. At present there is a patchwork quilt in the Council's arrangements for achieving these objectives.
4. A proper structure is required to support the Monitoring Officer role.
5. Greater support to and mainstreaming of the work of the Standards Committee.
6. Internal Audit is a key component of the Corporate Governance matrix. Internal Audit would transfer to the new Directorate with the Head of Internal Audit and Ethical Governance being a direct report to the Director.
7. A Senior Principal Auditor post would be converted to Governance Manager with specific responsibility for the Ethical Framework (including support to the Standards Committee); maladministration and Freedom of Information/Data Protection Act matters.
8. Dealing with maladministration complaints and ombudsman investigations is an area where the Council has not always been able to co-ordinate a robust and proactive involvement. There needs to be an effective centralised arrangement for tackling maladministration both from a preventative perspective and the elementary task of responding to the Ombudsman in a clear, efficient and timely way. This responsibility would pass to the Governance Manager.
9. Another key indicator of adherence to the principles of good governance is the extent to which members of Council and members of the public are being given access to information they are entitled to receive and also that the Council is ensuring that personal information is not disclosed inappropriately. The Freedom of Information/Data Protection Officer will report to the Governance Manager.

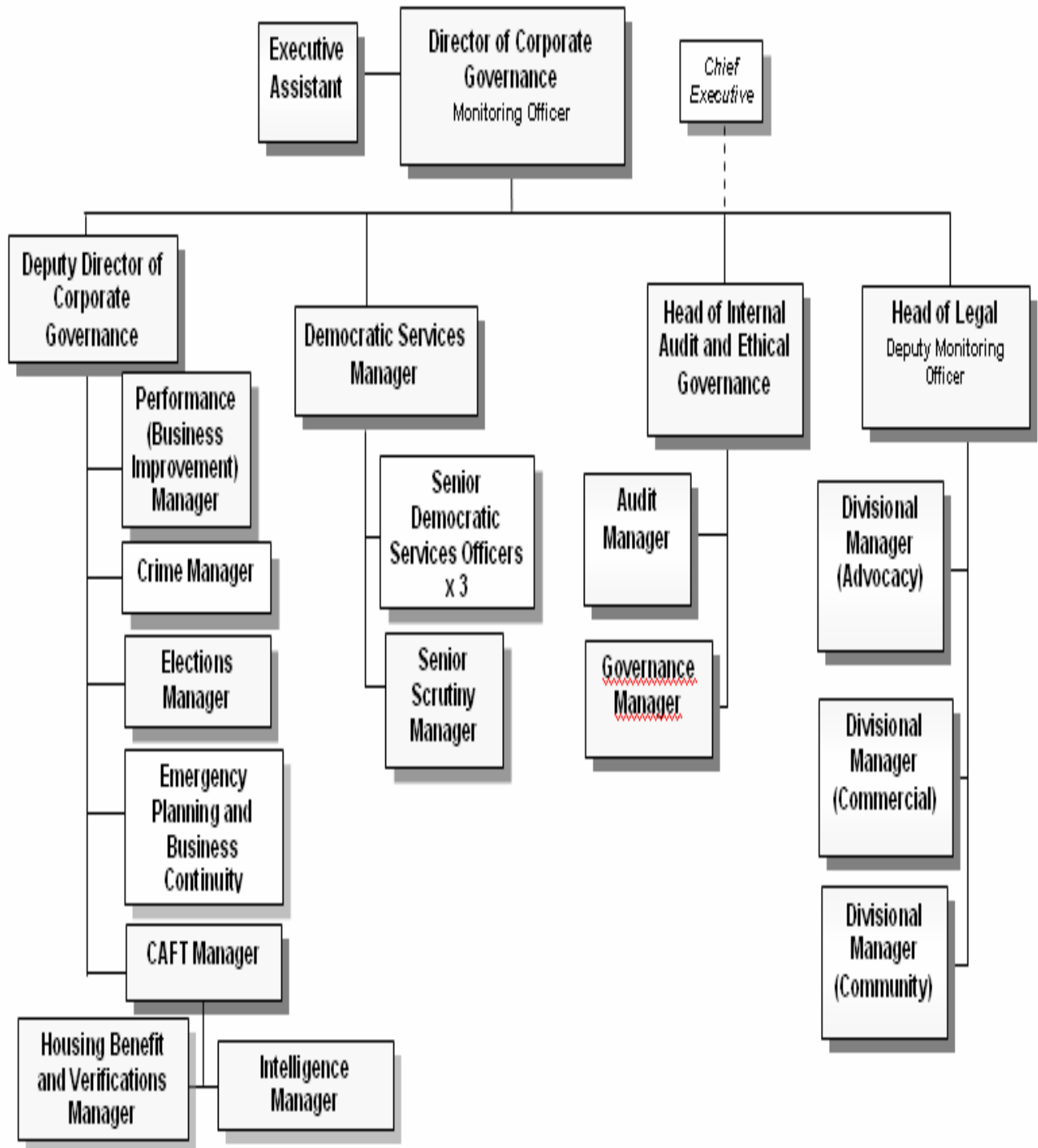
10. Led by a Head of Legal, it is important for Legal Services to focus on its core activity of providing legal advice and carrying out casework as required for client Services and more generally for the Council. Their involvement in the areas to be brought under the Governance Manager will generally be restricted to provision of legal advice.
11. The reduced scale of the Scrutiny Team makes it non-viable as a wholly separate management unit. There is a compelling case to bring the two areas under the overall management of the Democratic Services Manager, although the Scrutiny Officers will retain their distinct and independent operational capability.
12. Most of what the Mayor/Member Support & Civic Events Team is required to undertake has little or nothing to do with corporate governance. Their work concerns arranging events and maintaining the Mayor's diary and support requirements. It is, however, a key part of the Council's interface with the public and will be reporting to the Communications and Consultation Director.
13. The element of their work which would move to the new Directorate of Corporate Governance is the management of the Member Allowances Scheme and the maintaining of relevant Member information along with responsibility for organising Member training events.
14. The Local Land Charges team provide a front office function, albeit with a clientele largely comprising solicitors firms and personal search agencies. They deliver a "paid for" property search service that has no particular corporate governance connotations, other than, as with most Council Services, they have to be delivered in accordance with the statutory requirements.
15. A good deal of the information used for Local Search results comes from the Planning and Environmental Protection Service. There is therefore a good case for synchronising the separate data bases of both Services and for seeking out efficiency opportunities by bringing the Local Land Charges operation under the direct control of the Planning and Environmental Protection Service, as is the case in a number of other local authorities.
16. The Registration Service is an exclusively front office operation dealing with members of the public. It does not have any direct corporate governance functions. From 2008, through statutory changes, there is likely to be greater flexibility in delivering the registration service with different ways of registering births and deaths, an extended range of marriage venues and changes in the statutory office status of the registrars.
17. This is likely to give greater opportunities for the Registration Service to strengthen its current involvement in other activities e.g. citizenship ceremonies and check & send assistance for nationality applications as well as being a front

office which could be an important part of the Council's customer access strategy in providing an outlet for other Council services. It could therefore become a significant front office for the Council in the west of the borough. Under these proposals, the Registrars would transfer to the Resources Directorate.

18. There needs to be greater co-ordination of the Council's counter-crime intelligence gathering and operational anti-crime activities within the framework of its corporate governance arrangements. In recognising that the activities of the same criminals often cut across many different Council areas of operation, we need to identify and, where appropriate, bring together the crime intelligence and data gathering currently carried out within the Council.
19. A better co-ordinated anti-crime operation will provide intelligence dividends in supporting regulatory enforcement, in our joint working with the Police and other agencies and in having more effective counter crime arrangements in place. The intention is to expand the role of the existing Intelligence Manager within CAFT.
20. The Council's different areas of operational responsibility for dealing with crime need to operate more cohesively.–In so doing, these areas will become more mainstream and consistent with other like activities carried out in the Directorate and will also have the benefit of shared expertise, experience and resource in carrying out their anti-crime roles. A Crime Manager would oversee these operational areas.
21. The new Borough Commander has expressed a clear commitment to work with the Council in these areas and to establish a team closely reflecting the anti-crime unit within the Council as well as being prepared to pool resources where appropriate. Whatever combinations of anti-crime activities are brought together, the opportunity for closer collaboration with the Police is already being taken up by the relevant Officers and a more coherent structure will assist this process.
22. Electoral registration, election administration, business continuity arrangements and emergency planning are viewed as key components and would be part of the new Directorate.
23. Those responsible for operational areas, namely, the CAFT Manager, the Crime Manager, the Emergency Planning & Business Continuity Manager, the Elections Manager and the Performance (Business Continuity) Manager will report to the Deputy Director of Corporate Governance.
24. Direct reports to the Director of Corporate Governance and acting as members of the Directorate Senior Management Team will be the Deputy Director, the Head of Legal, the Head of Internal Audit & Ethical Governance and the Democratic Services Manager.
25. The Director of Corporate Governance will be Monitoring Officer.

Corporate Governance Directorate

Organisational Structure Chart



Proposed management responsibilities for Children's Service Leadership Team (Draft) Appendix D

Children's Service Director			
Deputy Director Safeguarding and social care	Assistant Director Inclusion	Deputy Director Schools and learning	Assistant Director Partnerships, performance and planning
<i>Lead across the service on safeguarding; CAF and coordination of family support; planning and coordination of childcare Lead services for LAC; children in need</i>	<i>Lead across the service on commissioning strategy for vulnerable; young people's participation; links with vol sector and health providers; transition into adulthood Lead services to ensure access and inclusion</i>	<i>Lead across the service on improving educational outcomes for children and young people; relationship with schools Lead school performance and improvement; library services for learning and community development</i>	<i>Lead service planning, performance management and development; partnership planning and performance management</i>
Looked after children (LAC) Children's homes Fostering Adoption Placement purchasing for LAC Leaving care	Access to school Admission to schools Transport to schools Attendance at schools Exclusion from schools SEN statutory assessment and placement	Challenge and intervention Learning Network Inspectors Early education strategy Primary strategy Secondary strategy 14-19 strategy	Finance Budget planning and monitoring Grants and capital Schools Forum Schools funding formula, allocation and monitoring Schools finance Social care finance
Children in need Referral and assessment Family group conferencing Case management Disabled children key workers CAMHS social workers CAF coordination	Pupil Referral Units Home and hospital teaching Youth Offending Service	Support and development Governors support Schools training and dev Music service Sport development BHSS SACRE	Regeneration and infrastructure Implications of regeneration School organisation Capital programme Accommodation strategy Performance data and analysis Schools catering
Childcare Children's centres Childcare planning and dev Extended schools Play strategy	Youth and connexions Universal Targeted Embedded Commissioned Connexions transition project Young people DAT	Pupil support Minority achievement EiC Educational psychology Behaviour support	Organisational development Recruitment, workforce dev and training strategy HR Health and safety Service development projects Communications, inc CIS and Parent Partnership Complaints ICT strategy for service ICT strat for schools
Safeguarding Safeguarding Board Child protection process Dealing with CP allegations Independent reviewing and QA Missing children	Voice of the child Participation strategy Hear by Right Youth Board Advocacy for LAC, LDD	Library services	