



AGENDA FOR THE AUDIT COMMITTEE AND AUDIT COMMITTEE (ADVISORY)

Members of the Audit Committee and Audit Committee (Advisory) are summoned to a meeting, which will be held in Committee Room 4, Town Hall, Upper Street, N1 2UD on, **19 March 2018 at 7.00 pm.**

Yinka Owa
Director of Law and Governance

Enquiries to : Jackie Tunstall
Tel : 020 7527 3068
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Despatched : 9 March 2018

Membership

Councillor Nick Wayne (Chair)
Councillor Rakhia Ismail (Vice-Chair)
Councillor Rowena Champion
Councillor Satnam Gill OBE
Alan Begg (Independent Member)
Nick Whitaker (Independent Member)

Substitute Members

Councillor Mouna Hamitouche MBE
Councillor Robert Khan
Councillor Marian Spall
Councillor Flora Williamson

Quorum: is 3 Councillors



A. Formal Matters	Page
1. Apologies for Absence	
2. Declaration of substitute members	
3. Declarations of interest	

If you have a **Disclosable Pecuniary Interest*** in an item of business:

- if it is not yet on the council's register, you **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent;
- you may **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency.

In both the above cases, you **must** leave the room without participating in discussion of the item.

If you have a **personal** interest in an item of business **and** you intend to speak or vote on the item you **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but you **may** participate in the discussion and vote on the item.

***(a) Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.

(b) Sponsorship - Any payment or other financial benefit in respect of your expenses in carrying out duties as a member, or of your election; including from a trade union.

(c) Contracts - Any current contract for goods, services or works, between you or your partner (or a body in which one of you has a beneficial interest) and the council.

(d) Land - Any beneficial interest in land which is within the council's area.

(e) Licences- Any licence to occupy land in the council's area for a month or longer.

(f) Corporate tenancies - Any tenancy between the council and a body in which you or your partner have a beneficial interest.

(g) Securities - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

This applies to **all** members present at the meeting.

4. Minutes of previous meeting	1 - 4
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B. Items for Decision - Audit Committee	Page
1. Internal Audit Annual Plan 2018/19	5 - 14
2. Gender Pay Gap	15 - 18

C.	Items for Decision - Audit (Advisory) Committee	Page
1.	External Auditor Reports	19 - 46
2.	Market Supplements Update	47 - 52
3.	Whistleblowing Report April 2017 - January 2018	53 - 56

D. Urgent non-exempt items

Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

E. Exclusion of press and public

To consider whether, in view of the nature of the remaining item on the agenda, it is likely to involve the disclosure of exempt or confidential information within the terms of the Access to Information procedure rules in the Constitution and, if so, whether to exclude the press and public during discussion thereof.

F.	Confidential/exempt items	Page
1.	Whistleblowing Report - Appendix	57 - 62

G. Urgent exempt items (if any)

Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

The next meeting of the Audit Committee and Audit Committee (Advisory) will be on 11 June 2018

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London Borough of Islington

Audit Committee and Audit Committee (Advisory) - 23 January 2018

Minutes of the meeting of the Audit Committee and Audit Committee (Advisory) held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 23 January 2018 at 7.00 pm.

Present: **Councillors:** Satnam Gill, Rakhia Ismail and Nick Wayne,
Also **Independent** Alan Begg and Nick Whitaker
Present: **members:**

**Councillor Nick Wayne
in the Chair**

168 APOLOGIES FOR ABSENCE (Item A1)

There were no apologies for absence.

169 DECLARATION OF SUBSTITUTE MEMBERS (Item A2)

There were no declarations of substitute members.

170 DECLARATIONS OF INTEREST (Item A3)

There were no declarations of interest.

171 MINUTES OF PREVIOUS MEETING (Item A4)

RESOLVED:

That the minutes of the meeting held on 19 September 2017 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them.

Minute 161 – Statement of Accounts.

In response to a question regarding the progress of the 2013/14 elector query it was noted that legal advice was currently being sought regarding the issue. It was considered that it was better for all parties if the accounts could be closed as soon as possible although at this stage a timescale could not be supplied.

RESOLVED that a short update be provided at the next meeting.

172 COUNCIL TAX BASE AND NATIONAL NON-DOMESTIC RATES 2018-2019 (Item B1)

The following points were made during the discussion:-

- That the number of appeals for business rates had been much lower than estimated.
- Officers were confident that a 98% council tax collection rate would be maintained. There was expected to be a 99% business rate collection.
- 30% of the NNDR surplus would be retained by Islington whilst the remainder would be shared throughout London.

RESOLVED

- 1) That the Council Tax base for the whole area for 2018/19 (or until rescinded) shall be 78,175.8 Band D equivalent properties after adjusting for non-collection be agreed.

Audit Committee and Audit Committee (Advisory) - 23 January 2018

- 2) That the Council Tax base for meeting the special expenses issued by the Lloyd Square Garden Committee for 2018-2019 (or until rescinded) shall be 44.9 Band D equivalent properties after adjusting for non-collection.
- 3) That the Council Tax forecast for 2017-2018 be noted.
- 4) That the NNDR forecast for 2017-2018 be noted.
- 5) That the authority be delegated to the Corporate Director Resources to finalise the 2018-2019 NNDR1 Form (detailed business rate estimate) for Islington.

173 ANNUAL TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2018-2019 (Item B2)

In the discussion the following points were made:-

- That members could be provided with treasury management training in the new municipal year.
- The bulk of PFI contracts related to Partners, street lighting and schools. Further details could be viewed in the Statement of Accounts.
- The Housing Revenue Account would be the most affected by an increase in interest rates and any deficit would need to be built into the 30 year business plan when budget estimates were drawn up. It may also be necessary to lock into deals to protect investments.
- It was considered that it would be helpful to have more commentary on risk in future reports. It was also considered that this was a matter that could be explored in more depth at a future meeting.
- The difference between the authorised limit and operational boundary as set out in Appendix B was detailed. The authorised limit was not planned to be exceeded but, should it be necessary on a temporary basis, this flexibility was allowed.
- The Public Works Loan Board debt taken out in the 1980's matured over the next three years. This would be replaced with cheaper borrowing.

RESOLVED

That the key points of the treasury strategy summarised in the report be noted with additional explanatory notes on assurance and risk being sent to the Audit Committee members within the next 14 days and considered by the Chair in consultation with the Audit Committee members.

174 EXTERNAL AUDITOR REPORTS (Item C1)

RESOLVED that the Annual Audit Letter 2016/17 be noted.

175 INTERNAL AUDIT INTERIM REPORT 2017-2018 (Item C2)

The following points were made during the discussion:-

- Concern was expressed about the risk regarding DBS Disclosures in relation to agency staff. It was stated that guidelines provided by Human Resources were comprehensive but were not being consistently implemented by Directorates. The Committee considered that this be prioritised by the Audit Team and a full update provided at the June meeting.
- It was unlikely that implementation of all recommendations regarding General Data Protection Regulation would be fully implemented by February 2018 ahead of legislation effective from May 2018. Islington was forward looking when compared across peer groups and this was a key priority area.

Audit Committee and Audit Committee (Advisory) - 23 January 2018

- The level of management engagement and understanding was high regarding internal audit reports. It was noted that the Chief Executive received all final reports and requested follow up.
- It was considered that future reports include management responses and a timescale to give the Committee a full picture of improvement. The Head of Internal Audit undertook to modify the report for June 2018.
- The Committee would expect more detailed reports in instances where the Directorate was managing the issue and there was no assurance. The most appropriate in depth reports could be agreed in consultation with the Chair of the Audit Committee. In these cases the appropriate officer should be asked to attend the meeting.
- It was considered that it could be important to have one or two more important recommendations in an audit highlighted for implementation.
- A moderate assurance was a satisfactory assessment.
- It was noted that all final reports were sent to individual school governors.

RESOLVED

- 1) That the report be noted.
- 2) That future internal audit reports contain management responses with a timescale.
- 3) That in-depth reports be submitted to the Committee, agreed in consultation with the Chair and that the appropriate officer be requested to attend the meeting to respond to questions of the Committee.

176 PRINCIPAL RISK REPORT 2017/18 UPDATE (Item C3)

The following points were made during the discussion:-

- If there was no support from the Government regarding the costs of recladding a housing block in Islington, the costs would be met from the Housing Revenue Budget and other work would need to be rescheduled.
- There was another block in the Borough with cladding managed by a Housing Trust. The cost would be met by the Council in the first instance but these costs may be recovered in the longer term.
- It was noted that in cases where staff left the authority, risks would be carried forward with an appropriate named officer.

RESOLVED that the report be noted.

177 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN ANNUAL REVIEW PERFORMANCE REPORT (Item C4)

The following points were made during the discussion:-

- Where there had been complaints made the Corporate Director had direct involvement and would seek to further mitigate the issue. The Council would seek to avoid complaints where possible.
- The Committee considered that there were a low number of complaints for such a large organisation and Islington compared well with other Boroughs.
- It was considered helpful if a table could be included in the report to include figures for previous years for benchmarking purposes.
- Complaints were historical in nature as there was often an 11 month time span between submission of complaints and findings.

RESOLVED that the report be noted and the figures for previous years be included in future reports.

178 **ISLINGTON COUNCIL'S USE OF AGENCY WORKERS (Item C5)**

Councillor Wayne declared a personal interest as his wife worked for HMRC in the legal team.

The following points were made during the discussion:-

- It was not considered that there would be a major financial risk in using agency workers as they were paid at a similar rate except for difficult to recruit posts. There would therefore be no increased risk in terms of budget management.
- There were risks if the authority considered that a contract fell outside IR35 but then was subsequently deemed to be inside the IR35 by the HMRC. The authority would then be liable. Guidance had been issued by the Human Resources team to ensure the correct categorisation and checks had been made by the internal audit team.

RESOLVED that the report be noted and the Chair of the Audit Committee and the Chair of Policy and Performance Scrutiny Committee (as at May 2018) consider the submission of future reports to the Audit Committee.

The meeting ended at 8.40 pm

CHAIR



Report of: **Corporate Director of Resources**

Meeting of	Date	Agenda Item	Ward(s)
Audit Committee	19 th March 2018		

Delete as appropriate		Non-exempt	
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SUBJECT: Internal Audit Annual Plan for 2018/19

1. Synopsis

The report seeks approval for the Annual Internal Audit Plan for 2018/19.

2. Recommendations

To note the content of this report and approve the Annual Internal Audit Plan for 2018/19.

3. Background

The Council has a statutory duty to maintain an adequate and effective internal audit function.

The Internal Audit's primary objective is to offer the Council (via the Audit Committee), Chief Executive, S151 Officer, External Audit and senior managers an independent and objective appraisal of whether objectives are being met efficiently, effectively and economically. Internal Audit also provides advice and guidance to management on risk and control issues within individual systems. We aim to achieve this through a planned programme of work based on an annual assessment of the major risks facing the authority.

The attached plan details the work to be undertaken by the Internal Audit Service in 2018/19 to deliver this objective.

4. Preparation and consultation

The plan has been prepared taking the following steps:

- A list of all auditable systems was identified;
- Auditable areas were evaluated against risk criteria, departmental risk registers, and CMB principle risks and then ranked, and
- Departmental Management teams, Corporate Governance Group and the Corporate Management Board have noted and commented on plans at meetings attended by the Head of Audit.

5. Internal Audit Resources

The annual plan has been drawn up to address the statutory requirements and key risks for the Council, taking into account available resources. We will be working jointly with our audit partners, PWC, to deliver the annual plan. Changes to the annual plan may be necessary during the year to reflect changing priorities and risk environment.

A contingency has been set aside to cover requests from management for ad hoc, consultancy type work on risk identification and subsequent control design (as well as urgent, unplanned reviews arising during the year).

6. Follow-up audits

All planned audit work undertaken will be subject to a formal follow up to ensure that all agreed actions have been implemented. The timing of each follow up review is agreed with the client for the original audit. We report to the Audit Committee summary findings of all internal audit work as well as levels of implementation of agreed actions and the impact that this has on our risk assessment of that area.

7. Assurance Levels

The majority of internal audit projects result in a statement of assurance of either 'substantial', 'moderate', 'limited' or 'no' assurance. These conclusions are based on the number of critical and high priority risks identified in the report. The Audit Committee will receive details of high priority issues raised in audit reviews which result in 'limited' or 'no' assurance statements.

8. Continuous Auditing

The audit plan includes resource allocated to continuous auditing work. This includes automated monitoring of key controls within finance and IT systems to assess whether they are operating effectively and to flag areas and report transactions that appear to circumvent control parameters.

9. Financial implications

The programme of audit work will be met from within the existing Internal Audit revenue budget.

10. Legal Implications

The Local Audit and Accountability Act 2014 sets out the regulatory framework for the audit of local authorities. The Council must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance (Accounts and Audit Regulations 2015 (SI 2015/234), regulation 5). The Public Sector Internal Audit Standards 2017 provide a set of public sector internal audit standards, which are supplemented for local government by CIPFA standard setting guidance.

11. Resident Impact Assessments

There are no direct Resident Impact Assessment implications arising from the recommendations in this report.

12. Environmental Implications

There are no environmental implications

13. Conclusion and reasons for recommendations

This report indicates the level of work being undertaken by Internal Audit in order to provide assurance over Islington's control environment.

Appendices:

Appendix A – Internal Audit Annual Plan 2018/19

Final report clearance:

Signed by:



Corporate Director Resources

20/2/18

Date

Report Author: Nasreen Khan, Head of Internal Audit, Investigations and Risk Management

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ISLINGTON

Islington Council

Internal Audit

Annual Audit Plan – 2018/19 - Draft

1.1. Corporate / Cross Cutting Audits

Ref	Audit title	Indicative scope	Link to Islington's Principle Risks (where applicable)	Planned Quarter	Planned Days
CC18-1	Landlord Duty of Care	Review of the Council's arrangements for ensuring compliance with Health & Safety requirements across its property portfolio.	Significant H&S Incident Serious H&S incident in housing	1	15
CC18-2	Brexit Preparedness	Review of the Council's plans and arrangements to prepare and respond to potential risks faced following Brexit. The review will consider the effectiveness of the identification and assessment of risks within/to the following areas: <ul style="list-style-type: none"> Financial Management / Funding / Investments; Local economy, partners and suppliers; Governance arrangements, including strategies, policies and procedures; Talent acquisition and retention; Service delivery/demand; and Legal implications. 	Financial Strategy	2	15
CC18-3	Outcomes Based Budgeting - programme review	Continued rolling assurance of programme governance arrangements. To include a deep-dive into two/three work streams.	Financial Strategy	3	20
CC18-4	Using Data Better Initiative	Review of the governance arrangements in place surrounding the cross-cutting <i>Using Data Better</i> initiative.	-	3	10
CC18-5	Information Governance	Cross-cutting review of the Council's information governance arrangements, including compliance with GDPR. To focus on high risk areas.	Serious information breach or non-compliance with legislation	2	15
CC18-6	Shared Digital – Transformation	Risk based review surrounding the Shared Digital governance arrangements. Review to include the delivery of the CMB prioritised programme.	IT Delivery & Transformation	3	15
Total Days					90

1.2. Resources

**Denotes a principal risk*

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
FR18-1	ERP – Programme Assurance	To provide assurance surrounding the ERP programme. To include a review of the programme's governance arrangements.	1 to 4	15

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
FR18-2	ERP – Control Design	To provide risk and control advice surrounding the development and implementation of the new ERP system.	1 to 4	25
FR18-3	Continuous Audit Monitoring (CAM)	Review of 5 key financial systems in line with the rolling CAM plan.	3	50
FR18-4	Procurement	Risk-based review of the end-to-end procurement process.	2	15
FR18-5	Capital Expenditure*	Risk based review of the effectiveness of key controls in place surrounding the Council's capital programme.	2	15
FR18-6	Shared Digital*	As per Shared Digital plan – to be confirmed on completion of 2017/18 work.	3	30
FR18-7	IT application review	Key controls testing, including a deep-dive into one IT application. Focus on key controls and risks related to availability, integrity, confidentiality and accountability.	3	15
			Total Days	165

1.3. Children's Services

**Denotes a principal risk*

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
CS18-1	Placement Commissioning 16-17 year olds*	Deferred from 2017/18. Cross-cutting review with Adult Social Care. To review the Council's commissioning processes for Looked After Children and Children in Need to ensure that best value is obtained and care quality is monitored in line with Children's Services Joint Commissioning Policy. To also include a review of the effectiveness of assessment/placement processes, budget monitoring and/or contract management.	2	15
CS18-2	Transition from Child to Adult*	Deferred from 2017/18. Cross-cutting review with Adult Social Care. Risk based review of the governance arrangements in place for managing the transition from children's to adult's social care.	1	15
CS18-3	Schools' Monitoring*	Risk based review of the schools' finance team to review the Council's ongoing financial monitoring arrangements in respect of schools.	2	15
CS18-5	Children's Centres / Early Years*	Risk based review of the arrangements in place for the effective financial management and monitoring of Children's Centres. To also consider the arrangements in place to manage risks relating to a reduction in funding and/or service demand.	1	10
CS18-6	Schools – establishment reviews	Risk based review of seven schools.	All	35
CS18-7	Stronger Families	Audit review and sign-off of grant claim (3x per year)	All	20
			Total Days	110

1.4. Environment and Regeneration

**Denotes a principal risk*

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
ER18-1	Blue Badge*	Deferred from 2017/18. Risk based review surrounding the administration and issue of blue badges. To include a review of controls surrounding enforcement.	2	15
ER18-2	Parking Services	Risk based review focussed on key controls. To include review of effectiveness of the governance arrangements surrounding compliance with legislative requirements.	1	15
ER18-4	Use of Agency Staff (E&R)	Risk based review surrounding the use of agency staff in E&R. The review will also deep dive into a sample of variable payments (e.g. overtime).	1	15
ER18-5	Waste and recycling	Risk-based review surrounding the effectiveness of key controls in place surrounding for the provision of residential waste and recycling services.	2	15
			Total Days	60

1.5. Housing and Adults Social Services (HASS)

**Denotes a principal risk*

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
HASS18-1	Safeguarding Adults*	Deferred from 2017/18. Risk based review of the Council's arrangements for safeguarding adults, including governance, risk management, and the arrangements for ensuring statutory requirements are met.	1	15
HASS18-2	Mental Health Safeguarding Processes*	Risk based review of the arrangements and processes in place surrounding mental health safeguarding.	3	15
HASS18-3	Rent Income & Recovery*	Risk based review of the effectiveness and efficiency of the Council's arrangements for rent collection and rent arrears following the introduction of Universal Credit.	2	15
HASS18-4	Housing Voids	Risk based review to ensure that the following key objectives are being met: <ul style="list-style-type: none"> • Sound policies and procedures in place for the management of empty Council properties (voids) and these are adhered to by all staff; • Appropriate action is taken to minimise the time that Council properties are empty and classified as void. Relevant performance and financial information is produced and monitored in order to assist with this process; • Repairs to void properties are restricted to those essential to meet the Council's re-let standard. All rechargeable repairs are fully and promptly charged to the outgoing tenant and appropriate action is taken to recover the sums due. 	1	15

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
HASS18-5	TMOs and Tenancy Management*	Risk-based review of four TMOs within the borough.	All	20
HASS18-6	VSO	Risk-based review of VSO monitoring arrangements. To include a visit to one VSO.	3	5
CS18-1	Placement Commissioning 16-17 year olds*	<i>Deferred from 2017/18. Cross-cutting review with Children's Services. To review the Council's commissioning processes for Looked After Children and Children in Need to ensure that best value is obtained and care quality is monitored in line with Children's Services Joint Commissioning Policy. To also include a review of the effectiveness of assessment/placement processes, budget monitoring and/or contract management.</i>	2	See CS Plan
CS18-2	Transition from Child to Adult*	<i>Deferred from 2017/18. Cross-cutting review with Children's Services. Risk based review of the governance arrangements in place for managing the transition from children's to adult's social care.</i>	1	See CS Plan
Total Days				85

1.6. Public Health

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
PH18-1	Public Health	Risk based review based on risk assessment conducted in-year.	2	15
Total Days				15

PAPER ENDS

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Report of: Corporate Director of Resources

Meeting of Audit Committee	Date 19 th March 2018	Agenda Item	Ward(s)
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SUBJECT: Gender pay gap report

1. Synopsis

1.1 From 6 April 2017, the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, SI 2017/353 impose specific duties, including gender pay gap reporting requirements, on the Council. They require the publication of calculations annually showing how large the pay gap is between its male and female employees. The Equality and Human Rights Commission has the power to enforce any failure to comply with the regulations. Employers will also run a reputational risk if they fail to publish the information.

2. Recommendations

2.1 To note the information provided in this paper and approve it for publication.

3. Background

3.1 Employers have up to 12 months to publish their gender pay gap report on their own website and on gov.uk. The deadline to report is 30 March, 2018 for public sector employers. The information must be maintained online on the employer's website for a minimum of three years. Four types of figures must be shown, taken from the payroll data in March 2017:

- Gender pay gap (mean and median averages)
- Proportion of men and women in each quartile of the organisation's pay structure
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses

Employers subject to the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 do not need to prepare a written statement to confirm that the published information is accurate but can do so if they wish. However, all employers are required to provide a narrative

to aid an understanding of the organisation’s view of the picture presented by the gender pay gap information.

Employers should then use the information to help understand any underlying causes for any gender pay gap and take suitable steps to minimise it. Benefits will differ between employers but can include developing a reputation for being a fair and progressive employer, attracting a wider pool of potential recruits for vacancies and the enhanced productivity that can come from a workforce that feels valued and engaged in a culture committed to tackling inequality.

4. Mean and Median Hourly Pay

	Male	Female	Gender Pay Gap
Mean	17.79	18.73	-5.29%
Median	16.20	18.24	-12.61%

4.1 The gender pay gap is the average hourly rate of pay of female full-pay relevant employees expressed as a percentage of male full-pay relevant employees. A negative figure indicates that the average hourly rate of pay of female full-pay relevant employees is greater than their male equivalent. The mean figure is the total of all individual rates of pay for each gender divided by the number of employees in that gender. The median is the rate of pay of the middlemost employee in each gender. In this data, the median removes the disproportionate effect of small numbers of employees who are on higher rates of pay.

5. Pay Quartiles

	Headcount		Percentage per Band	
	M	F	M	F
Upper Pay Quartile	488	644	43.11%	56.89%
Upper Middle Pay Quartile	485	648	42.81%	57.19%
Lower Middle Pay Quartile	532	602	46.91%	53.09%
Lower Pay Quartile	705	429	62.17%	37.83%

5.1 Employees are divided into quartiles according to their hourly rates of pay (the Upper Pay Quartile being the highest paid quarter of all council employees), and then the percentage of male and female employees in each quartile is compared. This is the required format for the publication of this data. The above information does not take into account that there are more female than male workers employed by LB Islington (51.25% of staff are female), but adjusting for this would not make any significant difference to the figures.

6. Bonus Pay

	Male	Female	Gender Pay Gap
Mean	1,377.38	1,821.18	-32.22%
Median	1,296.00	1,500.00	-15.74%

Women paid bonus as % of all women	9.77%
Men paid bonus as % of all men	5.11%

- 6.1 The gender pay gap is the average value of bonuses paid to female relevant employees expressed as a percentage of the average value of bonuses paid to male relevant employees. For LB Islington, bonuses as defined for the purposes of the Gender Pay Gap are retention payments, one-off honoraria and long service awards. The vast majority of bonuses, excluding long service awards, (75%) are paid in Children, Employment and Skills.

7. Conclusion

- 7.1 In respect of the overall pay for male and female employees, the latter are generally in a more favourable situation than their male counterparts. This is true in respect of basic pay and bonuses, as well as regarding the frequency of bonus payments. The primary reason for this is that there are significantly more men employed in low-paid jobs than women (see Lower Pay Quartile figures), particularly in areas of work which are traditionally male-dominated, such as waste collection, caretaking and street cleansing.

8. Implications

8.1 Financial Implications

There are no financial implications arising from this report.

8.2 Legal Implications

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, SI 2017/353 impose specific duties, including gender pay gap reporting requirements, on the Council. The purpose of the duties is to enable the better performance by the Council of the public sector equality duty imposed by section 149(1) of the Equality Act 2010, which requires the Council to have due regard, in the exercise of its functions, to specified equality aims.

8.3 Environmental Implications

There are no environmental implications arising from this report.

8.4 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The analysis undertaken to compile this gender pay gap report demonstrates that the council is not discriminating against women in the remuneration of its employees. It strives to combat discrimination in all its forms and has adopted policies, procedures and systems which demonstrate its commitment to equality of opportunity and to ensuring the dignity at work of all its employees. These include supporting flexible working, so that a balance can be achieved between family commitments and professional aspirations. The council's policies also include payment of the London

Living Wage, as a minimum, which represents a fair day's pay for a fair day's work, and a level of remuneration which means its employees can afford to live in the capital.

Final report clearance:

Signed by:



Liz Haynes
Director of Human Resources

Date: 1st March, 2018

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Legal Implications
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Report of: Corporate Director of Finance and Resources

Meeting of	Date	Agenda Item	Ward(s)
Audit Committee	19 March 2018		All

EXTERNAL AUDIT REPORTS

1. Synopsis

1.1 KPMG is presenting two reports to the Audit Committee for noting.

2. Recommendations

2.1 To note the External Audit Plan 2017/18

2.2 To note the Annual Report on Grant Claims and Returns 2016/17.

3. Background

3.1 KPMG, the councils external auditor, provides various reports to the Audit Committee throughout the year. The following reports are included on the agenda for this meeting:

A. External Audit Plan 2017/18

B. Annual Report on Grant Claims and Returns 2016/17

4. Implications

4.1 **Financial Implications:** none

4.2 **Legal Implications:** none

4.3 **Environmental Implications:** none.

4.4 Resident Impact Assessment: There are no direct resident impact implications.

5. Conclusion and reasons for recommendations:

5.1 The Committee is asked to note the contents of the attached reports.

Appendices:

- External Audit Plan 2017/18
- Annual Report on Grant Claims and Returns 2016/17

Background papers: (available online or on request): None

Final Report Clearance:

Signed by:



Corporate Director of Finance and Resources

Date 2018

Received by:

Head of Democratic Services

Date

Report Author: Alan Layton, Service Director: Financial and Asset Management
Tel: 020 7527 2835
E-mail: alan.layton@islington.gov.uk



External Audit Plan 2017/18

London Borough of Islington and Islington Pension Fund

January 2018

Financial Statement Audit

There are no significant changes to the Code of Practice on Local Authority Accounting ("the Code") in 2017/18, which provides stability. However the deadlines for producing and signing the accounts have advanced (see below). To meet the revised deadlines it is essential that the draft financial statements and all 'prepared by client' documentation is available in line with agreed timetables.

Significant risks

Those risks requiring specific audit attention and procedures to address the likelihood of a material financial statement error has been identified as:

- **Valuation of land and buildings (Authority only):** Whilst the Authority operates a cyclical revaluation approach, the Code requires that all land and buildings be held at fair value. We will consider the way in which the Authority ensures that assets not subject to in-year revaluation are not materially misstated;
- **Management override of controls (Authority and Pension Fund):** Our audit methodology incorporates the risk of management override as a default significant risk. In line with our methodology, we carry out appropriate controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual.

Other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding have been identified as:

- **Pension liabilities (Authority only):** The valuation of the Authority's pension liability, as calculated by the Actuary, is dependent upon both the accuracy and completeness of the data provided and the assumptions adopted. We will review the processes to ensure accuracy of data provided to the Actuary and consider the assumptions used in determining the valuation;
- **Faster Close (Authority and Pension Fund):** The timetable for the production of the financial statements has been advanced with draft accounts having to be prepared by 31 May 2018 (2017: 30 June) and the final accounts signed by 31 July 2018 (2017: 30 September). We will work with the Authority in advance of our audit to understand the steps being taken to meet these deadlines and any impact on our work; and
- **Valuation of unquoted investments (Pension Fund only):** The Pension Fund held £1.25bn of investments at 31 March 2017. £32m of this balance was in unquoted investments which management valued at the year end using unaudited accounts.

Value for Money Audit

Our risk assessment regarding your arrangements to secure value for money have not identified any significant risks.

We have identified financial resilience as an area for audit focus, given the financial pressures the Authority is currently facing.

Other information

Logistics and team

Our team is led by Neil Hewitson, Director, and Paul Cuttle, Senior Manager. Our work will be completed in four phases from October to July and our key deliverables are this Audit Plan, and a Report to Those Charged With Governance.

Fees

Our fee for the 2017/18 audit is £202,830 (£202,830 2016/2017) and £21,000 (£21,000 in 2016/17) for the Pension Fund. This is in line with the scale fees published by PSAA.

Acknowledgement

We thank officers and Members for their continuing help and cooperation throughout our audit.

**The contacts at KPMG
in connection with this
report are:**

Neil Hewitson

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Headlines

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2. Financial statements audit planning	4
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4. Other matters	12

Appendices

- 1: Key elements of our financial statements audit approach
- 2: Independence and objectivity requirements
- 3: Quality framework

This report is addressed to The London Borough of Islington (the Authority) and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. PSAA issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on PSAA's website (www.psaa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Neil Hewitson, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers (0207 694 8981, andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3H.

1. Introduction

Background and statutory responsibilities

This plan supplements our 2017/18 audit fee letter 2017/18 dated 30/04/2017, which set out details of our appointment by PSAA.

Our statutory responsibilities and powers are set out in the Local Audit and Accountability Act 2014, the NAO's Code of Audit Practice and the PSAA Statement of Responsibilities.

Our audit has two key objectives, requiring us to audit / review and report on your:

- **Authority and Pension Fund Financial statements:** Providing an opinion on your accounts. We also review the Annual Governance Statement and Narrative Report and report by exception on these; and
- **Use of resources:** Concluding on the arrangements in place for securing economy, efficiency and effectiveness in your use of resources (the value for money conclusion).

The audit planning process and risk assessment is an on-going process and the assessment and fees in this plan will be kept under review and updated if necessary. Any change to our identified risks will be reporting to the Audit Committee.

Financial statements audit

Our financial statements audit follows a four stage process:

- Financial statements audit planning
- Control evaluation
- Substantive procedures
- Completion

Appendix 1 provides more detail on these stages. This plan concentrates on the Financial Statements Audit Planning stage.

Value for Money

Our Value for Money (VFM) arrangements work follows a five stage process:

- Risk assessment
- Links with other audit work
- Identification of significant VFM risks
- Review work (by ourselves and other bodies)
- Conclude
- Report

Page 10 provides more detail on these stages. This plan concentrates on explaining the VFM approach for 2017/18 and the findings of our VFM risk assessment.

2. Financial statements audit planning: Authority

Financial statements audit planning

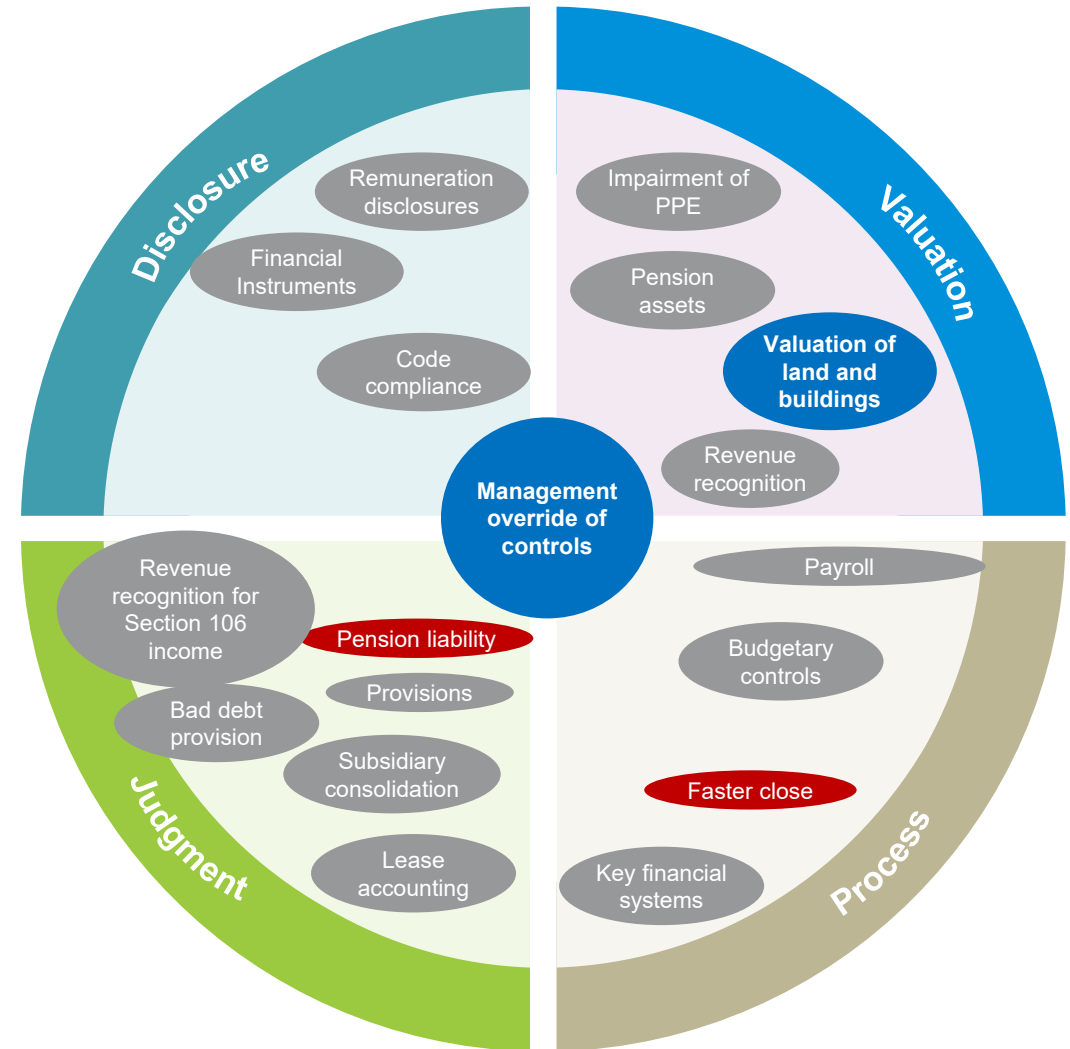
Our planning work takes place in December 2017 and January 2018 and involves: determining materiality; risk assessment; identification of significant risks; consideration of potential fraud risks; identification of key account balances and related assertions, estimates and disclosures; consideration of Management's use or experts; and issuing this plan to communicate our audit strategy.

Authority risk assessment

Professional standards require us to consider two standard risks. We are not elaborating on these standard risks in this plan but consider them as a matter of course and will include any findings arising from our work in our ISA 260 report.

Management override of controls: Management is typically in a powerful position to perpetrate fraud owing to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Our audit incorporates the risk of Management override as a default significant risk. In line with our methodology, we carry out appropriate controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual.

— **Fraudulent revenue recognition:** We do not consider this to be a significant risk for the majority of the Authority's income as there are limited incentives and opportunities to manipulate the way income is recognised. We therefore rebut this risk for Council Tax, Business Rates, Housing rents, annual central Government grants and social services income and do not incorporate specific work into our audit plan in these areas over and above our standard fraud procedures.



Key: ● Significant risk ● Other area of audit focus ● Other areas considered

2. Financial statements audit planning: Authority

Authority significant audit risks

Those risks requiring specific audit attention and procedures to address the likelihood of a material financial statement error in relation to the Authority.

Valuation of land and buildings

Risk: In 2016/17 the Council reported Property, Plant and Equipment of with a total value of £3.9bn. Of this balance, £3.5bn relates to Council dwellings and other land and buildings which are valued at fair value. The Council therefore exercises judgement in determining the fair value of the assets held and the methods used to ensure the carrying values recorded each year reflect those fair values. Given the materiality in value and the judgement involved in determining the carrying amounts of assets we consider this to be a significant risk.

The approach the Council uses for valuing assets is:

- Operational property assets are valued by the Council as on the basis of market value for existing use or, if unable to be assessed, they are valued at replacement cost;
- Non-operational property assets are valued by the Council on a market value basis;
- Community and infrastructure assets are recorded at historical cost.

We have determined this to be a significant risk due to the size of the balance, the estimation required to determine the replacement cost, the complexity of measuring replacement cost and the assumptions.

Approach:

- We will review the approach to valuation, the qualifications, reports by the Authority's valuers and judgements made by the Authority' in respect to the value for 2017/18;
- Where valuations are made other than at year end, we will review the Authority's judgement in assessing movements from the valuation date;
- We will review the disclosures made to ensure they are complete as per the valuations on the financial statements for all assets valued;
- Where adjustments are required, we will review them to ensure they have been made in line with the Code;
- We will test a sample of properties to confirm they exist;
- We will review the rights and obligations to confirm the Authority owns the asset; and
- We will use our specialists to review the approach taken, the valuations and the assess the reasonableness of the outcomes.

2. Financial statements audit planning: Authority

Authority other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding.

Pension liabilities

Risk: The net pension liability represents a material element of the Authority's balance sheet. The Authority is an admitted body of London Borough of Islington Pension Fund, which had its last triennial valuation completed as at 31 March 2016. This forms an integral basis of the valuation as at 31 March 2018. Valuation of the Local Government Pension Scheme relies on assumptions, most notably actuarial assumptions, and actuarial methodology which results in the Authority's overall valuation.

There are financial assumptions and demographic assumptions used in the calculation of the Authority's valuation, such as the discount rate, inflation rates, mortality rates etc. Assumptions should reflect the profile of the Authority's employees and should be based on appropriate data. The basis of assumptions is derived on a consistent basis year to year, or updated to reflect any changes. There is a risk that the assumptions and methodology used in the valuation of the Authority's pension obligation are not reasonable. This could have a material impact to net pension liability accounted for in the financial statements.

Approach: We will review controls over information sent directly to the Scheme Actuary. We will consider the process and controls with respect to the assumptions used in the valuation. We will evaluate the competency, objectivity and independence of Mercers. We will review the appropriateness of key assumptions in the valuation, compare them to expected ranges, and consider the need to make use of a KPMG actuary. We will review the methodology applied in the valuation by Mercers. In addition, we will review the overall Actuarial valuation and consider the disclosure implications in the financial statements.

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Faster close

Risk: In prior years, the Authority has been required to prepare draft financial statements by 30 June and then final signed accounts by 30 September. For years ending on and after 31 March 2018 revised deadlines apply which require draft accounts by 31 May and final signed accounts by 31 July. These changes represent a significant change to the timetable that the Authority has previously worked to. The time available to produce draft accounts has been reduced by one month and the overall time available for completion of both accounts production and audit is two months shorter than in prior years. To meet the revised deadlines, the Authority may need to make greater use of accounting estimates. In doing so, consideration will need to be given to ensuring that these estimates remain valid at the point of finalising the financial statements. In the event that the above areas are not effectively managed there is a significant risk that the audit will not be completed by the 31 July deadline. There is an increased likelihood that the Audit Certificate (which confirms that all audit work for the year has been completed) may be issued separately at a later date if work is still ongoing in relation to the Authority's Whole of Government Accounts return. This is not seen as a breach of deadlines.

Approach: We will continue to liaise with officers in preparation for our audit to understand the steps the Authority is taking to meet the revised deadlines. We will look to advance audit work into the interim visit to streamline the year end audit work. Where there is greater reliance upon accounting estimates we will consider the assumptions used and challenge the robustness of those estimates.

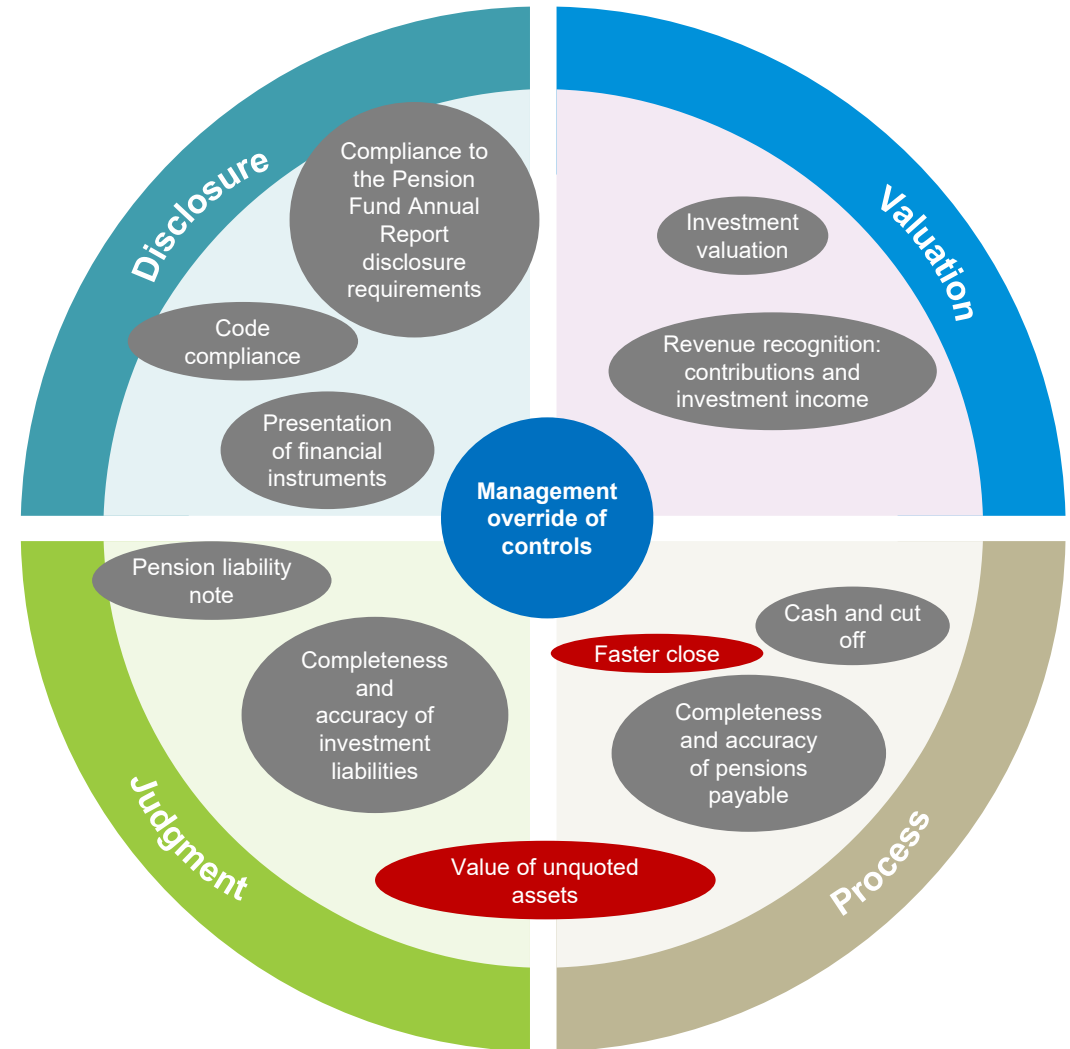
2. Financial statements audit planning: Pension Fund

Pension Fund risk assessment

Professional standards require us to consider two standard risks. We are not elaborating on these standard risks in this plan but consider them as a matter of course and will include any findings arising from our work in our ISA 260 Report.

— **Management override of controls:** Management is typically in a powerful position to perpetrate fraud owing to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Our audit incorporates the risk of Management override as a default significant risk. In line with our methodology, we carry out appropriate controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual.

Fraudulent revenue recognition: We do not consider this to be a significant risk for local authority Pension Funds as there are limited incentives and opportunities to manipulate the way income is recognised. We therefore rebut this risk and do not incorporate specific work into our audit plan in this area over and above our standard fraud procedures.



Key: ● Significant risk ● Other area of audit focus ● Other areas considered

2. Financial statements audit planning: Pension Fund

Pension Fund other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding.

Valuation of unquoted investments

Risk: £1.25bn of investments at 31 March 2017. £32m of this balance was in unquoted investments which management valued at the year end using unaudited accounts.

Approach: We will obtain confirmations from the Fund managers and Custodians, and reconciliations between the two, as well as reviewing ISAE3402 compliance reports on each Fund Manager. For unquoted investments we will check the basis of the valuations and also to audited accounts as they become available.

Faster close

Risk: In prior years, the Pension Fund has been required to prepare draft financial statements by 30 June and then final signed accounts by 30 September. For years ending on and after 31 March 2018 revised deadlines apply which require draft accounts by 31 May and final signed accounts by 31 July. These changes represent a significant change to the timetable that has previously been worked to. The time available to produce draft accounts has been reduced by one month and the overall time available for completion of both accounts production and audit is two months shorter than in prior years. To meet the revised deadlines greater use of accounting estimates may be required. In doing so, consideration will need to be given to ensuring that these estimates remain valid at the point of finalising the financial statements. In the event that the above areas are not effectively managed there is a significant risk that the audit will not be completed by the 31 July deadline.

Approach: We will continue to liaise with officers in preparation for our audit to understand the steps the Pension Fund is taking to meet the revised deadlines. We will look to advance audit work into the interim visit to streamline the year end audit work. Where there is greater reliance upon accounting estimates we will consider the assumptions used and challenge the robustness of those estimates.

2. Financial statements audit planning

Materiality

We are required to plan our audit to determine with reasonable confidence whether or not the financial statements are free from material misstatement. An omission or misstatement is regarded as material if it would reasonably influence the user of financial statements. This therefore involves an assessment of the qualitative and quantitative nature of omissions and misstatements.

Generally, we would not consider differences in opinion in respect of areas of judgement to represent 'misstatements' unless the application of that judgement results in a financial amount falling outside of a range which we consider to be acceptable.

Materiality has been set to a level within the level of unearmarked Council General Fund reserves; based on the audited financial statements for 2016-17 this is currently limited to £8,676k. We have rounded to £8.6m. This equates to 0.8% of the audited gross expenditure for 2016/17.

For the Pension Fund, materiality for planning purposes has been set at £10m which equates to 1% of net assets. The level of materiality remains unchanged from 2016/17.

Reporting to the Audit Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work.

Under ISA 260(UK&I) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance.

ISA 260 (UK&I) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

In the context of the Authority we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.43m.

In the context of the Pension Fund we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.5m.

If Management has corrected material misstatements identified during the audit, we will consider whether those corrections should be communicated to Audit Committee to assist it in fulfilling its governance responsibilities.

3. Value for money arrangements work

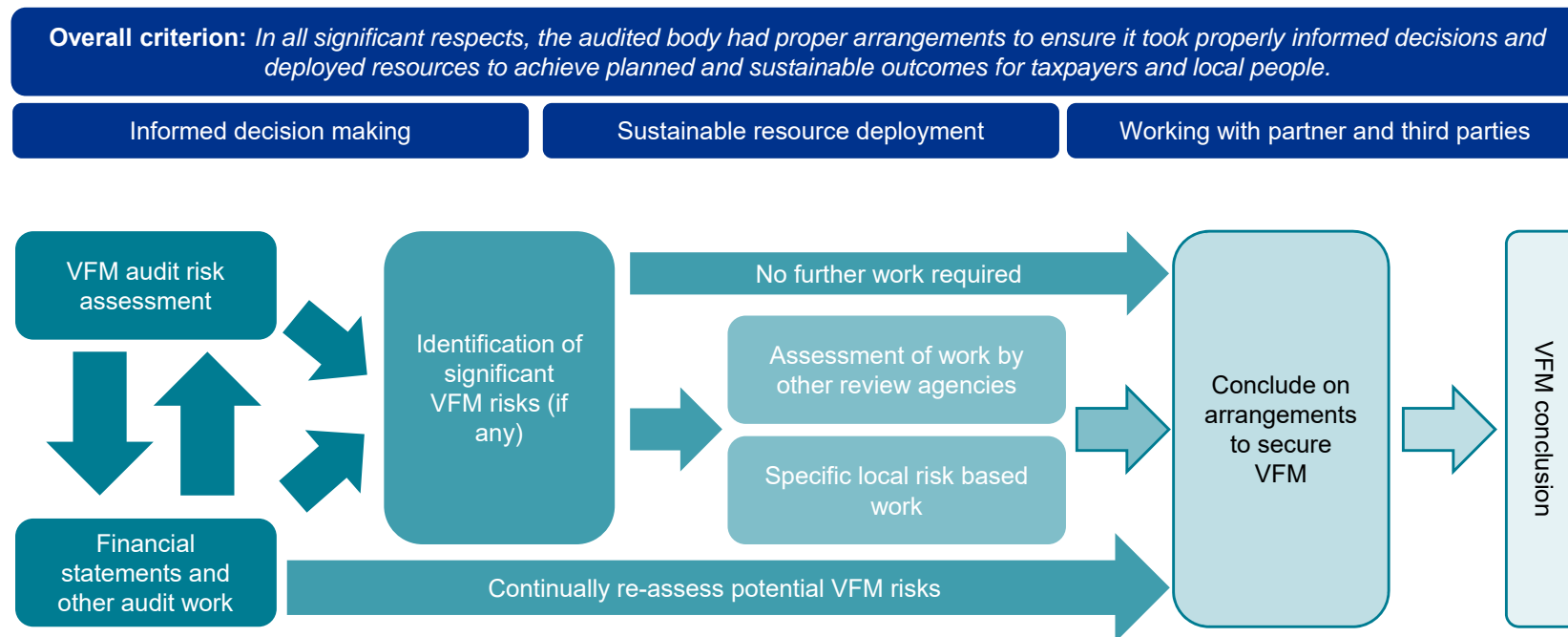
For our value for money conclusion we are required to work to the NAO Code of Audit Practice (issued in 2015 after the enactment of the Local Audit and Accountability Act 2014).

Our approach to VFM work follows the NAO's new guidance that was first introduced in 2015-16, a risk based and targets audit effort on the areas of greatest audit risk.

We have planned our audit to draw on our past experience of delivering this conclusion and have updated our approach as necessary. We will also consider reports from your regulators and review agencies.

The Local Audit and Accountability Act 2014 requires auditors of local authorities to be satisfied that the organisation "has made proper arrangements for securing economy, efficiency and effectiveness in its Value for Money". This is supported by the Code of Audit Practice, published by the NAO in April 2015, which requires auditors to "take into account their knowledge of the relevant local sector as a whole, and the audited body specifically, to identify any risks that, in the auditor's judgement, have the potential to cause the auditor to reach an inappropriate conclusion on the audited body's arrangements."

The VFM process is shown in the diagram below:



We have completed our initial VFM risk assessment and have not identified any significant risks for the VFM conclusion. We will keep this under review during our audit and notify Audit Committee of any change.

3. Value for money arrangements work

VFM other areas of focus

Those risks with less likelihood of giving rise to a significant VFM risk but which are nevertheless worthy of audit understanding.

Financial Resilience

Risk: Local Authorities are subject to an increasingly challenged financial regime, with reduced funding from Central Government, whilst having to maintain a statutory and quality level of services to local residents.

At the end of month 8 of the financial year, the Council has a potential general fund gross overspend of £6.2m which would need to be offset by contingency funds unless other actions can be identified.

Approach: We will review overall management arrangements that the Authority has for managing its financial position. This will include the processes to maintain a robust Medium Term Financial Strategy, ongoing monitoring of the annual budget, responsiveness to increasing costs of demand led services and changes in funding allocations the governance arrangements of how the figures are reported through to Executive.

VFM sub-criterion: Sustainable resource deployment

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4. Other matters

Whole of government accounts (WGA)

We are required to review your WGA consolidation and undertake the work specified under the approach that is agreed with HM Treasury and the National Audit Office. Deadlines for production of the pack and the specified approach for 2017/18 have not yet been confirmed

Elector challenge

The Local Audit and Accountability Act 2014 gives electors certain rights. These are: the right to inspect the accounts; the right to ask the auditor questions about the accounts; and the right to object to the accounts. As a result of these rights, in particular the right to object to the accounts, we may need to undertake additional work to form our decision on the elector's objection. The additional work could range from a small piece where we interview an officer and review evidence to form our decision to a more detailed piece where we have to interview a range of officers, review significant amounts of evidence and seek legal representations on the issues raised. Costs incurred responding to questions or objections raised by electors is not part of the fee. This work will be charged in accordance with PSAA's fee scales.

Our audit team

Our audit team has been drawn from our specialist public sector assurance department and is led by two key members of staff:

Neil Hewitson: your Director has overall responsibility for the quality of the KPMG audit work and is the contact point within KPMG for the Audit Committee, the Chief Executive and Director of Corporate Resources.

Paul Cuttle: your Senior Manager is responsible for delivery of all our audit work. She will manage the completion of the different elements of our work, ensuring that they are coordinated and delivered in an effective manner.

The core audit team will be assisted by other KPMG staff, such as risk, tax, clinical or information specialists as necessary to deliver the plan.

Reporting and communication

Reporting is a key part of the audit process, not only in communicating the audit findings for the year, but in ensuring that the audit team is accountable to you in addressing the issues identified as part of the audit strategy. Throughout the year we will communicate with you through meetings with the finance team and the Audit Committee. Our communication outputs are included in Appendix 1.

Independence and Objectivity

Auditors are required to be independent and objective. Appendix 2 provides more details of our confirmation of independence and objectivity.

4. Other matters

Audit fee

Our Audit Fee Letter 2017/18 presented to you in April 2017 first set out our fees for the 2017/2018 audit. This letter also set out our assumptions. We have not considered it necessary to seek approval for any changes to the agreed fees at this stage.

Should there be a need to charge additional audit fees then this will be agreed with the S151 Officer and PSAA. If such a variation is agreed, we will report that to you in due course.

The planned audit fee for 2017/18 is £202,830 for the Authority (2016/17: £202,830). The planned audit fee for 2017/18 is £21,000 for the Pension Fund (2016/17: £21,000).

Grants and claims work

We undertake other grants and claims work for the Authority that does not fall under the PSAA arrangements:

Housing benefits grant claim: This audit is planned for October. Our fee for this work is £24,975; and

Pooled housing capital receipts: This audit is planned for October. Our fee for this work is £3,000; and

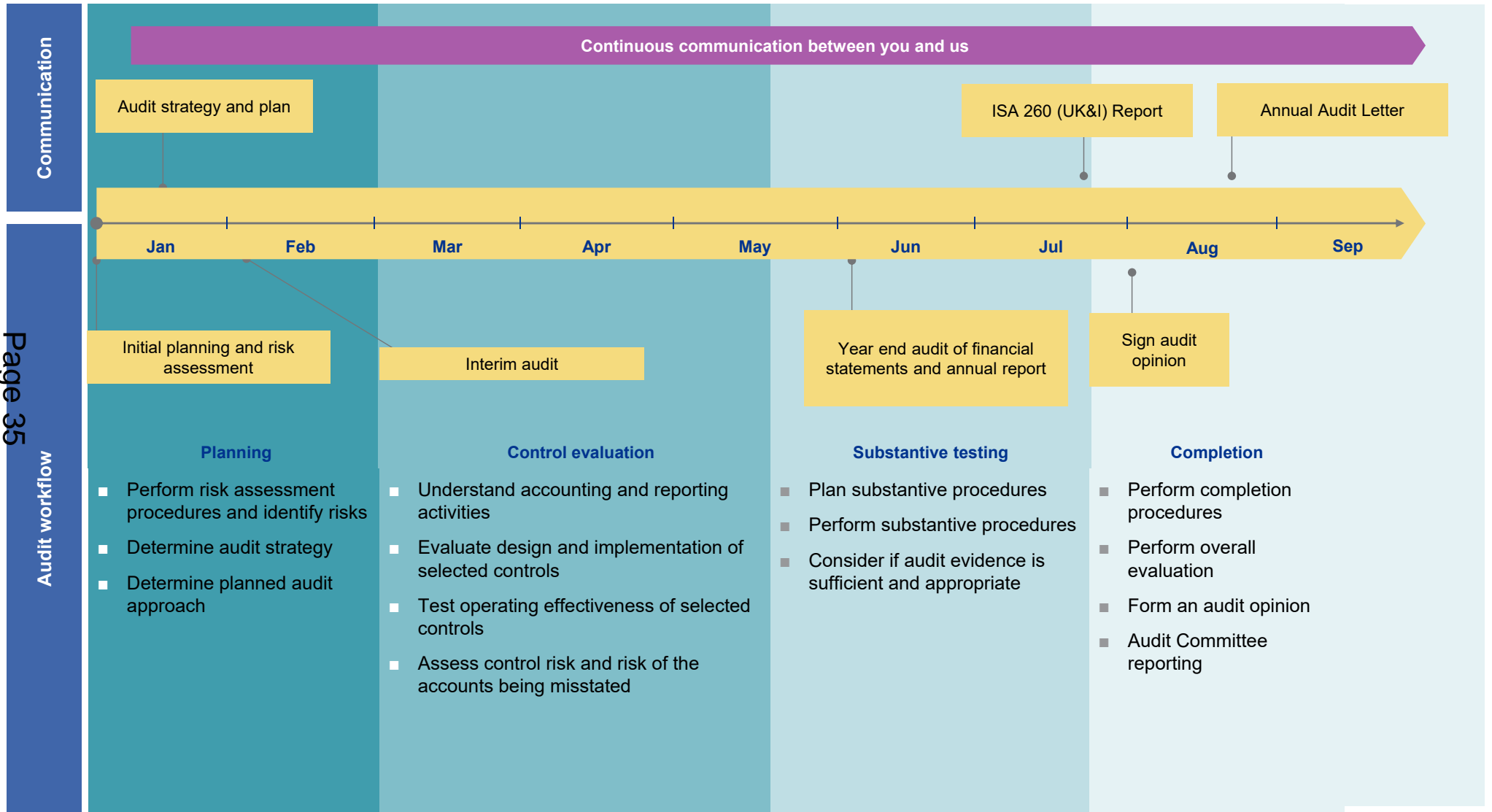
Teachers pension contribution return: This audit is planned for October. Our fee for this work is £3,000.

Public interest reporting

In auditing the accounts as your auditor we must consider whether, in the public interest, we should make a report on any matters coming to our notice in the course of our audit, in order for it to be considered by Members or brought to the attention of the public; and whether the public interest requires any such matter to be made the subject of an immediate report rather than at completion of the audit.

At this stage there are no matters that we wish to report.

Appendix 1: Key elements of our financial statements audit approach



Appendix 2: Independence and objectivity requirements

ASSESSMENT OF OUR OBJECTIVITY AND INDEPENDENCE AS AUDITOR OF LONDON BOROUGH OF ISLINGTON

Professional ethical standards require us to provide to you at the planning stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

In considering issues of independence and objectivity we consider relevant professional, regulatory and legal requirements and guidance, including the provisions of the Code of Audit Practice, the provisions of Public Sector Audit Appointments Ltd's ('PSAA's') Terms of Appointment relating to independence and the requirements of the FRC Ethical Standard and General Guidance Supporting Local Audit (Auditor General Guidance 1 – AGN01) issued by the National Audit Office ('NAO').

This Appendix is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses: General procedures to safeguard independence and objectivity; Breaches of applicable ethical standards; Independence and objectivity considerations relating to the provision of non-audit services; and Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP partners, Audit Directors and staff annually confirm their compliance with our ethics and independence policies and procedures. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard. As a result we have underlying safeguards in place to maintain independence through: Instilling professional values; Communications; Internal accountability; Risk management; and Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

Independence and objectivity considerations relating to other matters

There are no other matters that, in our professional judgment, bear on our independence which need to be disclosed to the Audit Committee.

Confirmation of audit independence

We confirm that as of the date of this report, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the Audit Director and audit staff is not impaired.

This report is intended solely for the information of the Audit Committee of the authority and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Appendix 3: Quality framework

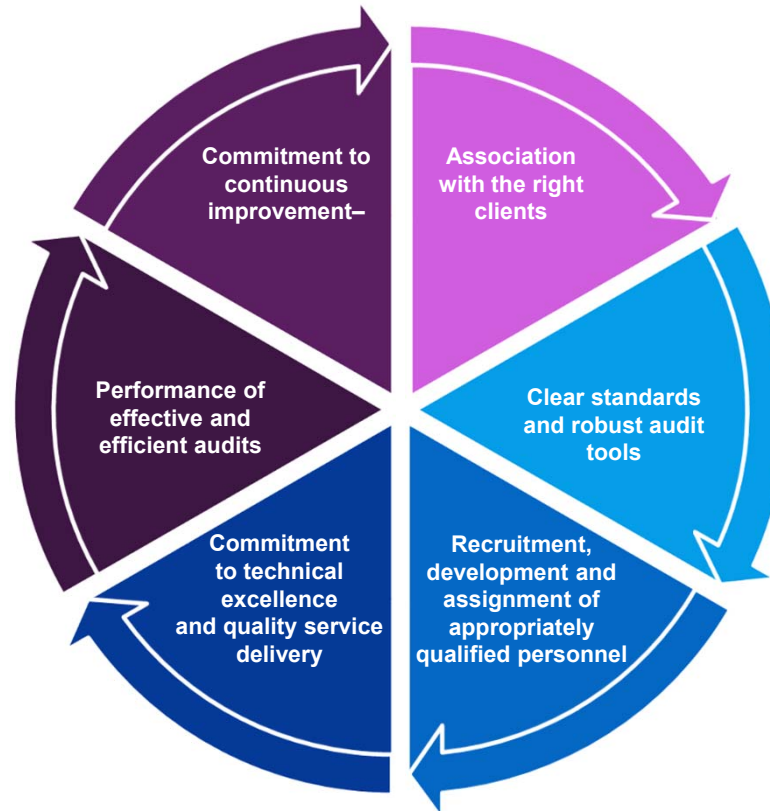
Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion. To ensure that every partner and employee concentrates on the fundamental skills and behaviours required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework

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- Comprehensive effective monitoring processes
- Proactive identification of emerging risks and opportunities to improve quality and provide insights
- Obtain feedback from key stakeholders
- Evaluate and appropriately respond to feedback and findings

- Professional judgement and scepticism
- Direction, supervision and review
- Ongoing mentoring and on the job coaching
- Critical assessment of audit evidence
- Appropriately supported and documented conclusions
- Relationships built on mutual respect
- Insightful, open and honest two way communications

- Technical training and support
- Accreditation and licensing
- Access to specialist networks
- Consultation processes
- Business understanding and industry knowledge
- Capacity to deliver valued insights



- Select clients within risk tolerance
- Manage audit responses to risk
- Robust client and engagement acceptance and continuance processes
- Client portfolio management

- KPMG Audit and Risk Management Manuals
- Audit technology tools, templates and guidance
- Independence policies

- Recruitment, promotion, retention
- Development of core competencies, skills and personal qualities
- Recognition and reward for quality work
- Capacity and resource management
- Assignment of team members and specialists



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This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. We draw your attention to the Statement of Responsibilities of auditors and audited bodies, which is available on Public Sector Audit Appointment’s website (www.psa.co.uk).

External auditors do not act as a substitute for the audited body’s own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG’s work, in the first instance you should contact Neil Hewitson, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG’s work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers, by email to Andrew.Sayers@kpmg.co.uk. After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA’s complaints procedure by emailing generalenquiries@psaa.co.uk by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.



Annual Report on grant claims and returns 2016/17

London Borough of Islington

—

January 2018

Contents

The contacts at KPMG in connection with this report are:

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Senior Manager

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This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website (www.psaa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

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Introduction and background

This report summarises the results of work we have carried out on the Council's 2016/17 grant claims and returns.

This includes the work we have completed under the Public Sector Audit Appointment certification arrangements, as well as the work we have completed on other returns under separate engagement terms. The work completed in 2016/17 is:

- Under the Public Sector Audit Appointments arrangements we certified the Council's 2016/17 Housing Benefit Subsidy claim.
- Under separate assurance engagements we certified two returns as listed below.
 - Teachers' Pension Return; and
 - Pooling of Housing Capital Receipts.

Certification and assurance results (Pages 3-4)

Our certification work on Housing Benefit Subsidy claim included:

- agreeing standard rates, such as for allowances and benefit incomes, to the DWP Circular communicating the value of each rate for the year;
- sample testing of benefit claims to confirm that the entitlement had been correctly calculated and was supported by appropriate evidence;
- undertaking an analytical review of the claim form considering year-on-year variances and key ratios;
- confirming that the subsidy claim had been prepared using the correct benefits system version; and
- completing testing in relation to modified schemes payments, uncashed cheques and verifying the accurate completion of the claim form.

Following the completion of our work, the claim was subject to qualification. Our 2015/16 audit was not subject to qualification however the previous year's audit were

and given the nature of the claim and value its common in the sector for the claim to be qualified. The claim was qualified due to one error that required 40+ testing however the impact of this was relatively small based on the claim value of

Although we qualified the claim, the impact of this was relatively small based on the claim value of £203 million. The value of actual errors found was £129. An extrapolation of the errors would overstate grant expenditure by £22,959.

Our work on the other grant assurance engagements resulted in unqualified assurance reports for both the Teachers' Pension return and Pooling of Housing Capital Receipts Return.

Recommendations

We have made one recommendation this year. There were no recommendations raised in the prior year.

Fees (Page 5)

Our fee for certifying the Council's 2015/16 Housing Benefit Subsidy claim was £24,912, which is in line with the indicative fee set by PSAA.

Our fees for the other 'assurance' engagements were subject to agreement directly with the Council and totalled £6,000.

Summary of reporting outcomes

Overall, we carried out work on three grant claims and returns. All three were certified unqualified without amendment.

Detailed comments are provided overleaf.

Detailed below is a summary of the reporting outcomes from our work on the Council’s 2015/16 grant claims and returns, showing where either audit amendments were made as a result of our work or where we had to qualify our audit certificate or assurance report.

A qualification means that issues were identified concerning the Council’s compliance with a scheme’s requirements that could not be resolved through adjustment. In these circumstances, it is likely that the relevant grant paying body will require further information from the Council to satisfy itself that the full amounts of grant claimed is appropriate.

	Comments overleaf	Qualified	Significant adjustment	Minor adjustment	Unqualified
Public Sector Audit Appointments regime					
— Housing Benefit Subsidy	1	●			
Other assurance engagements					
— Teachers’ Pension Return	2			●	●
— Pooling of Housing Capital Receipts Return	3				●
		0	0	1	3

Summary of certification work outcomes

This table summarises the key issues behind each of the adjustments or qualifications that were identified on the previous page.

Ref	Summary observations	Amendment/qualification
1	<p>Housing Benefit Subsidy Claim</p> <p>Our initial testing of 60 cases identified three errors. Two of these errors were underpayments and as there is no eligibility to subsidy for benefit which has not been paid, the underpayment identified does not affect subsidy and has not, therefore, been classified as errors for subsidy purposes. We found one error where the Council overpaid benefit as a result of omitting to apply the spare room deduction when the claimant confirmed on the claim form their property had three bedrooms in the property and the requirement was for only two. Our 40+ testing did not identify any further errors however given the nature of the population and the variation in the errors found, we chose to qualify the claim rather than make claim adjustments.</p> <p>Although we qualified the claim, the impact of this was relatively small based on the claim value of £203 million. An extrapolation of the errors was included in our qualification letter, the value of which would have been an overstatement of grant expenditure of £22,959.</p>	Qualification
2	<p>Teachers' Pension Return</p> <p>The return was submitted to KPMG by the deadline. Following the audit, an amendment of £13,975 was made to the claim. Furthermore, we raised one reporting issue in our opinion. The return guidance requires that <i>'Reporting accountants should confirm the status of teachers in the payroll sample to the employer portal, which holds the pension details of an employer's teachers (which the employer is responsible for reviewing and updating as necessary)'</i>. Our testing of 25 teachers found that for six employees the portal had not been updated and the employee was showing as not employed when our testing confirmed they are active members employed as at 31 March 2017.</p> <p>We raised a recommendation on this matter that has been accepted by management (see page 7).</p>	Amendment and reporting issue required
3	<p>Pooling of Housing Capital Receipts</p> <p>The return was submitted to KPMG by the deadline. Working papers provided to support the claim were of a good quality and no amendments were required. The claim was therefore certified in advance of the deadline set by the CLG.</p>	No amendments required

Fees

Our fees for the Housing Benefit Subsidy claim are set by Public Sector Audit Appointments.

Our fees for other assurance engagements on returns are agreed directly with the Council.

The overall fees we charged for carrying out all our work on grant claims and returns in 2016/17 was £30,912.

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Public Sector Audit Appointments certification arrangements

Public Sector Audit Appointments set an indicative fee for our work on the Council's Housing Benefit Subsidy claim in 2016/17 of £24,912. Our actual fee was the same as the indicative fee, and this compares to the 2015/16 fee for this claim of £24,912.

Grants subject to other assurance engagements

The fees for our assurance work on other returns are agreed directly with the Council. Our fees for 2016/17 were in line with those in 2015/16.

Breakdown of fees for grants and returns work

Breakdown of fee by grant claim and returns		
	2016/17 (£)	2015/16 (£)
Housing Benefit Subsidy claim	24,912	24,912
Teachers' Pension Return	3,000	3,000
Pooling of Housing Capital Receipts	3,000	3,000
Total fee	30,912	30,912

Recommendations

We have given each recommendation a risk rating and agreed what action management will need to take.

Priority rating for recommendations		
<p>1 Issues that are fundamental and material to your overall arrangements for managing grants and returns or compliance with scheme requirements. We believe that these issues might mean that you do not meet a grant scheme requirement or reduce (mitigate) a risk.</p>	<p>2 Issues that have an important effect on your arrangements for managing grants and returns or complying with scheme requirements, but do not need immediate action. You may still meet scheme requirements in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.</p>	<p>3 Issues that would, if corrected, improve your arrangements for managing grants and returns or compliance with scheme requirements in general, but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.</p>

Issue	Priority	Management response
Teachers' Pensions		
<p>Councils are required to ensure the Teachers' Pensions portal is up to date for each teacher. Our testing of 25 teachers found six teachers whose status on the employer portal had them recorded as pensionable. Our testing has confirmed these teachers are all employed by the Council at year end and the portal is therefore incorrect.</p>	<p>2</p>	<p>Accepted</p> <p>We acknowledge the issue raised and will be taking action to ensure the portal is updated correctly moving forwards. The issue has partly been due to Pooles Park School having an outsourced payroll function and the data required to update the portal has not been received by the Council. This has been raised with the payroll team in the Council and the outsourced provider Strictly Education to remind them of the correct procedures and to ensure information is submitted on time.</p> <p>Responsible: Payroll team</p> <p>Implementation date: Immediate</p>

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Report of: Corporate Director of Resources

Meeting of Audit Committee	Date 19 th March 2018	Agenda Item	Ward(s)
Delete as appropriate	Exempt	Non-exempt	

SUBJECT: Market Supplements

1. Synopsis

1.1 In January 2015 the Audit Committee adopted a market supplements policy with effect from 1st March, 2015 with a view to addressing the difficulties being experienced in recruiting to a number of specific technical and professional roles. This report provides an update on the effectiveness of market supplements in attracting the skills required by the council and whether they have proved more cost effective than engaging agency workers.

2. Recommendations

2.1 To note the update provided in this paper.

3. Background

3.1 The Policy and Performance Scrutiny Committee undertook a review of the council's use of agency workers and presented its report to the Executive in May 2014. Recommendations arising out of that review included one that the council should consider the use of market supplements for 'hard to fill posts' as part of a strategy for reducing the use of agency workers.

3.2 The policy sets quite stringent requirements in respect of evidence of the need for a supplement and requires that markets supplements are approved by the Chief Executive, or if they meet specified criteria, are considered by the Audit Committee itself.

3.3 The policy requires that a business case is prepared before a market supplements can be agreed. The business case is required to address the following issues:

- (a) The anticipated detrimental impact on the operation of the council and its services of failing to recruit to, or retain, suitable employees in the post;
- (b) Alternatives available to the use of market supplements (e.g. use of agency workers);
- (c) The outcome of previous attempts to recruit to the post and/or difficulties in retaining employees in the post due to its remuneration, including exit interview information;
- (d) Evidence of steps taken to maximise the attractiveness of the role and the likelihood of recruiting to it;
- (e) Detailed information about the local labour market relevant to the post concerned using specific comparator jobs or survey information where sufficiently detailed and relevant;
- (f) This information to cover at least 3 comparator roles and include the job descriptions (including management span and budget responsibilities), person specifications and overall remuneration and benefits package (including annual leave entitlement and other benefits) of roles cited as comparators;
- (g) The calculation of the proposed supplement based on the median of the comparators used;
- (h) Confirmation that the cost of the market supplement if applied can be met from the service's existing budget.

4. Use of market supplements

4.1 The following market supplements have been implemented since the policy was introduced and the posts were filled:

Department	Service	Job title	Period	Amount per annum
Finance and Resources	Digital Services and Transformation	Information Security Adviser	27/05/15 - 03/05/16	£8175
Finance and Resources	ICT Strategy and Transformation	Business Engagement Manager	29/06/15 - 30/11/15	£4995
HASS	Housing Property Services	Principal Lift Engineer	From September 2017	£5,000
HASS	Housing Property Services	Senior Electrical Engineer	From September 2017	£8,000
HASS	Housing Property Services	Electrical Engineer	From 30/05/17	£7,000
E&R	Street Environment Services	Corporate Fleet and Transport Manager	From 05/01/18	£9,819

4.2 The following market supplements have been approved but it has not been possible to fill all the posts:

Department	Service	Job title	Period	Amount per annum	Comments
HASS	Housing Property Services	Mechanical Engineer	From September 2017	£11,000	1 of 2 posts filled
HASS	Housing Property Services	Mechanical Inspector	From September 2017	£10,000	1 of 2 posts filled
HASS	Housing Property Services	Electrical Inspector	From September 2017	£10,000	1 of 2 posts filled

4.3 The following market supplements have been approved but it has not been possible to fill any of the posts:

Department	Service	Job title	Amount per annum	Comments
HASS	Housing Property Services	Group Lead, Mechanical and Electrical Team x 1	£9,000	Attempts to recruit on two occasions have been unsuccessful despite offer of market supplement
HASS	Housing Property Services	Lead Domestic Gas Engineer x 2	£6,870	

4.4 An application for the following market supplement is currently being considered:

Department	Service	Job title	Amount per annum
E&R	Highways and Energy Services	Energy Conservation Officer	£3,285 - £4,785

5. Effectiveness and cost of using market supplements

5.1 Feedback from managers in HASS and E&R demonstrates that markets supplements have been essential in enabling recruitment to these technical and specialist roles. Even so, not all posts have been filled. It is necessary to re-advertise the ones that remain vacant and there is no guarantee of a successful outcome to the campaigns. Candidates have commented that market supplements are not the same as a permanent salary, as they are reviewed annually and could in theory be withdrawn. When posts are advertised, the market supplement has to be shown separately and this may also deter potential candidates. For certain roles, amounts in the region of £15,000 can be spent on advertising, due to the need to use specialist media.

5.2 It has not been possible for the recruiting manager to make significant progress on filling the roles at 4.2 and 4.3 for the past 6 months due to a number of personal and job-related issues not directly related to the remuneration issues associated with these jobs.

5.3 Managers in a range of services where there are specialist roles which require lengthy study and high-level qualifications, and for which there is often competition with more generous salaries in the private sector, find that they struggle to recruit. The evidence shows that market supplements provide a solution, at least in part, but that it would be beneficial to look into the problems in recruiting to these posts in greater detail, including reviewing recruitment processes and ensuring that the full benefits packages are explained. In particular, feedback from managers is that the NJC job evaluation scheme does not adequately recognise the value of roles requiring technical qualifications and knowledge, as well as management and leadership skills and commercial flare. This combination is prized in the private sector and attracts very high remuneration. Human Resources colleagues have been providing dedicated support to managers to assist them with these resourcing challenges, including to ensure advertisements capture all the benefits of working for the council. Colleagues with specialist knowledge of job evaluation have been working to ensure the evaluation of these roles is effective and supports the attraction of the right calibre of candidates.

5.4 Examples of roles for which market supplements have been agreed, with the costs of permanent employees compared to agency workers are listed here:

Job title	Islington grade/ Salary	Market supplement	Approximate on- costs (c 20%)	Total cost of employee
Principal Lift Engineer	PO5 £42,651 - £45,438	£5,000 pa (£47,651 - £50,438)	£9,530 - £10,088	£57,181 - £60,525
Senior Electrical Engineer	P04/P05 £39,855 - £45,438	£8,000 pa (£47,855 - £53,438)	£9,571 - £10,688	£57,426 - £64,126
Mechanical Engineer	P02/P03 £35,070 - £39,855	£11,000 pa £46,070 - £50,855	£9,214 - £10,171	£55,284 - £61,026
Mechanical Inspector	S01/S02 £29,424 - £33,627	£10,000 pa £39,424 - £43,627	£7,885 - £8,725	£47,309 - £52,352
Electrical Inspector	S01/S02 £29,424 - £33,627	£7,000 pa £36,424 - £40,627	£7,285 - £8,125	£43,709 £48,752

Job title	Day Rate (Contractor)	Day Rate (including agency fee)	Annual contract cost (48 weeks)
Principal Lift Engineer	£260.00	£286.00	£68,640
Senior Electrical Engineer	£250.00	£275.00	£66,000
Mechanical Engineer	£180.00	£198.00	£47,520
Mechanical Inspector	£200.00	£220.00	£52,800
Electrical Inspector	£200.00	£220.00	£52,800

5.4 One of the reasons that managers engage agency workers is because they experience difficulties in recruiting to posts permanently due to the salaries the council offers for jobs which may typically attract better pay in the private sector. As can be seen from the examples listed above, the cost of engaging an agency worker is generally greater than the cost of hiring a permanent employee. However, there are broader issues, with less easily quantifiable costs which should be noted and which, when taken into consideration alongside the costs, mean that offering market supplements in order to recruit on a permanent basis to hard-to-fill posts is the preferable option. These issues are as follows:

- The council wishes to act as a responsible and ethical employer, providing opportunities which offer people stability and security for them and their families and contribute to making Islington a fairer place;
- Unless used in conjunction with planned knowledge transfer, a high use of agency workers undermines efforts to build organisational and individual capability and does not allow for effective succession planning;
- An extensive use of agency workers carries significant risk in view of the speed at which workers can terminate contracts;
- A more transient workforce will be less motivated and less committed to working to achieve the council's vision and values;
- Some agency workers may have chequered work histories, which are very difficult to identify in advance due to the fact that they work through agencies.

6. Implications

6.1 Financial implications:

As part of the process to approve market supplements, managers must assess where the funding will come from and ensure that sufficient funds are available to pay for the supplements from within their existing budgets.

6.2 Legal Implications:

Where the council awards a market supplement (in addition to the evaluated grade of a post), the potential for equal pay claims arises. The council needs to be able to demonstrate that the award of the supplement is justified by a material factor (which is neither directly nor indirectly discriminatory) in order to avoid or defend such claims. The state of the employment market, which may lead an employer to increase the pay of a particular job in order to attract candidates, can constitute an objectively justified economic ground for a pay disparity, provided the

applicable pay levels are not due to underlying discriminatory reasons. Having a robust market supplements policy in place, which has been and continues to be equality impact assessed, is subject to regular review and which requires documentary evidence of the market conditions and recruitment difficulties, mitigates the risks of using supplements.

6.3 Environmental Implications:

There are no environmental implications arising from this report.

6.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A resident impact assessment was undertaken in respect of the Market Supplement policy. The policy itself is not considered likely to have an adverse impact on any particular group but as the policy gives discretion to managers the use of the policy by managers will be monitored to ensure it is being fairly applied.

Final report clearance:

Signed by:



Liz Haynes
Director of Human Resources

Date: 28th February, 2018

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Report of: **The Corporate Director of Resources**

Audit Committee	Date: 19th March 2018	Ward(s): N/A
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Part of the report is not for publication because it contains exempt information under Schedule 12A of the Local Government Act 1972) Paragraphs 1, 2, 7 Schedule 12A of the Local Government Act 1972, namely: Information relating to an individual. Information which is likely to reveal the identity of an individual and Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

THE APPENDIX TO THIS REPORT IS NOT FOR PUBLICATION

SUBJECT: Whistleblowing Report - April 2017 to January 2018

1. Synopsis

- 1.1 The report confirms that the Whistleblowing arrangements in place are effective and that reporting fraud is an integral part of the Council's Anti-Fraud Strategy going forward. The report confirms that whistleblowing arrangements are in place and operating effectively, and that investigating fraud is an integral part of the Council's Anti-Fraud Strategy.

Whistleblowing arrangements are a key element of the Council's overall governance arrangements. It is the mechanism to "empower the honest majority" in the fight against fraud and corruption and is an integral part of the Council's Anti-Fraud Strategy.

Whistleblowing allows employees, members, contractors and others, to raise concerns about fraud and corruption. There are separate reporting mechanisms for adult and child protection allegations. Whistleblowing information is located within the Human Resources policies and procedures section of the Council's intranet.

A review of the Council's Whistleblowing arrangements and policy was undertaken in March 2014, by the Council's Monitoring Officer. A review of the policy is underway.

The Council's Whistleblowing Officer is the Head of Internal Audit, Investigations and Risk Management.

- 1.2 The report gives detail of referrals between April 2017 and January 2018. This is compared against referrals made over the previous years.

2. Recommendations

2.1 Committee is asked to note the contents of the report.

3. Background

3.1 Effective whistleblowing arrangements are a key element of effective governance arrangements within the Council. The Council's Whistleblowing Policy details how referrals can be made to the Council.

4. Implications

Financial implications:

4.1 None arising from the content of this report.

Legal Implications:

4.2 The original Public Interest Disclosure Act 1998 provisions, inserted in the Employment Rights Act 1996, were amended by the Enterprise and Regulatory Reform Act 2013 to introduce a new public interest requirement. The Council must have regard to the Government's Whistleblowing Guidance for Employers and Code of Practice (2015).

Environmental Implications

4.3 None arising from the content of this report.

Resident Impact Assessment:

4.4 There are no direct Resident Impact Assessment implications arising from this report.

5. Reasons for the recommendations / decision:

5.1 The report presents an update on whistleblowing referrals received from April 2017 to January 2018.

5.2 The Council is obliged under the Public Interest Disclosure Act to maintain a Whistleblowing Policy, designed to encourage staff, members, contractors and others to raise concerns without fear of reprisal.

Signed by



20/2/18

Corporate Director of Resources

Date

Received by

.....
Head of Democratic Services

.....
Date

Appendices

- Appendix A - Exempt

Background papers:

- None

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