

AUDIT AND ACCOUNTS COMMITTEE ACTION LOG

<u>NO.</u>	<u>TITLE OF REPORT / MINUTE AND ACTION REQUESTED</u>	<u>LEAD</u>	<u>PROGRESS</u>
	ACTION ARISING FROM THE MINUTES OF THE 15TH JULY 2014 MEETING AND 23RD SEPTEMBER MEETING		
1.	Item 11. LGSS Draft Statement of Accounts		
	There had been a balance sheet query regarding whether LGSS not owning capital assets was effectively a hidden subsidy. A response was provided in an e-mail sent to Members from the lead officer, Jon Lee. The Vice Chairman indicated that he had not been satisfied with the response and called for a further report on the issue to be provided to him from the officer.	JonLee LGSS / Cllr Topping	Jon Lee originally wrote to Councillor Topping on 10 th November requesting clarification. Councillor Topping to confirm orally if clarity had now been provided and that he was satisfied with any reply received.
	ACTION ARISING FROM THE MINUTES OF THE 23RD SEPTEMBER MEETING		
2.	MINUTE 83 RISK MANAGEMENT REPORT		
	There was one red residual risk - Risk 9 'Failure to Secure Funding for Infrastructure' In relation to this risk the Vice Chairman requested a more detailed report to the November meeting in relation to the key controls to help mitigate this red risk, as the descriptions were not specific enough. In addition, he highlighted that the summary for action items 9 and 10 were blank and it was therefore not clear if the actions were ongoing, or had been completed.	Jon Idle (JI)	An update is provided the Risk Management report included as Item 7 on the current agenda. (See Paragraph 2.6 and in the detailed report at Appendix 3) Action completed.

3.	MINUTE 84. INTERNAL AUDIT PROGRESS REPORT		
	<p>'Fraud and Corruption (amend to counter fraud)' it was explained that Internal Audit was seeking to be more pro-active in preventing fraud. To facilitate this objective, a bid for 18 months Counter Fraud funding had been submitted to the Department for Communities and Local Government. It was noted that progress would be reported in the next update report as well as the proposed approach, if the funding was not secured.</p>	<p>JI</p>	<p>The outcome of the bid for the DCLG Counter Fraud Fund had been due to be announced in November 2014 but a verbal update at the 25th November Committee meeting indicated no announcement had been made at that time.</p> <p>The bid has however since been confirmed as successful with more detail provided in paragraphs 4.7 to 4.12 of the Internal Audit Progress Report included as item 9 on the second dispatch agenda.</p> <p>Action completed.</p>
4.	MINUTE 87. MAIN ACCOUNTS REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA 260 UK&I)		
	<p>a) It was agreed that there should be an update report to the March Meeting on Leases and the PPE process</p>	<p>C Malyon / C Yates</p>	<p>Democratic Services had added this to the work programme. There was a request at the November meeting for the report to be brought forward to the current January meeting.</p> <p>An update report is provided. as item 4 on the current agenda.</p> <p>Action completed.</p>
	<p>b) Page 22 - There was discussion in relation to the references of late payments to the Pension Fund (£13m in April) and ensuring that all transactions to the Pension Fund were processed through its own bank account in line with</p>		<p>An update was provided by the Lead Pensions officer Paul Tysoe in a e-mail forwarded on from Democratic Services dated 16th December which confirmed: which negated the need for a separate report to the</p>

	<p>Regulations. Attention was drawn to the measures being taken to resolve the issues as set out on this page of the report. It was orally confirmed that payments were now received on time each month and were being reconciled. The officer present from the Pensions Service considered that the matter had now been resolved. As an additional check, it was indicated External Audit would be reviewing the arrangements as part of their 2014/15 Audit work. There was a request for an update report to the January Committee meeting on both issues.</p>	<p>P Tysoe Pensions</p> <p>January meeting confirming the following:</p> <p>“We are in receipt of monthly evidence from payroll in regard of the Cambridgeshire County Council monies due, being the sum in question at the year end 2013-14. There was no issue with other employers payments over as these were evidenced in the year end reconciliation together with the PEN18 receipts.</p> <p>In respect of the Cambridgeshire County Council issue we have been receiving information from Payroll showing the:-</p> <ol style="list-style-type: none"> 1) Amount deducted from payroll 2) Amount transferred into the bank account 3) Amount on the Pensions ledger 4) System information giving a breakdown of contributions equivalent to the PEN18 return received from external employers. <p>An attachment of the reconciliation to date for 2014-15 which evidences the above was also provided.</p> <p>In respect of External Audit verification, in the Audit de brief meeting held on 23rd October 2014, PwC had verbally informed the Committee that they would undertake this work as part of the 2014-15 closedown process.</p> <p>If Members had any further queries they were asked to contact: Paul Tysoe - IPFA Investment and Fund Accounting Manager - LGSS</p>
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			Pension Services. Cambridgeshire and Northamptonshire Pension Funds. Email PHTysoe@northamptonshire.gov.uk Action completed.
	<p>c) Internal Controls Section</p> <p>The Chairman expressed his concern at the continuing late production of the accounts which had not given him or the Committee sufficient time to read them in advance of the meeting. Officers agreed that some aspects of the outstanding issues highlighted in the report and the late production of the Accounts did require improvement. In relation to any early work on an improvement plan, External Audit also offered their assistance. There was a request that the details of the Improvement Plan should be received at the January meeting, to include steps to ensure information was produced in a more timely manner to enable the Committee to carry out its duties effectively.</p>	C Malyon/ C Yates	Included as item 4 on the current January agenda.. Action Completed.
	ACTIONS ARISING FROM THE MINUTES OF THE 25TH NOVEMBER MEETING 2014 NOT ALREADY DISCUSSED ABOVE		
5.	<p>MINUTE 96. ACTION LOG FROM MINUTES</p> <p>Page 3/Minute 70 – Cambridgeshire Catering Services CCS – a Member asked for an update on the CCS financial position.</p>		An update e-mail sent to Committee members from Rob Sanderson Democratic Services on 8 th January on behalf of Sarah Heywood indicated that the most up to date estimate which has just been provided that day for the period to the end of December 2014

	ACTION: Ian Smith to update Committee by email.		<p>was for a forecast year end overspend for Cambs Catering Services of £87K. This was an improvement on the previous forecast deficit, with the main reason being expenditure on catering equipment having reduced by £37K. It was further indicated that CCS was doing everything it could to reduce the deficit further.</p> <p>Action completed.</p>
	p6/Minute 83 – (d) City Deal – The Head of Internal Audit confirmed that this would be brought back to the Committee on an ongoing, embedded basis. A full report would be presented to the next Committee.	J Idle (JI)	<p>See appendix 3 of Item 9 Internal Audit Progress Report on the current agenda.</p> <p>Action completed.</p>
6..	<p>MINUTE 99 INTERNAL AUDIT PROGRESS REPORT (INCLUDING PROGRESS OF IMPLEMENTATION OF MANAGEMENT ACTIONS) TO 31ST OCTOBER 2014</p> <p>a) Internal Audit Report on Safe Recruitment in Schools, Request from the Chairman for a written update on the number of responses received in relation to the reminders to the third of schools who had not completed the self assessment audit , and advised that it would not be necessary for them to come back to Committee to present that information.</p>	Service Director Keith Grimwade	Chairman to confirm received update requested.
	b) The Head of Internal Audit to commence the audit process with a view to providing a full report. This would involve discussions with relevant officers and the selection of a sample of forms, and following up with some schools that had not responded. An update would also be provided on the response rate and the areas of concern by school/issue.	Jl	The outcome of the Safer Recruiting audit will be reported in March 2015.

	c) asked for future versions of the Internal Audit Plan (Appendix 2 to the report) to include a column comparing progress in the current audit compared to the previous audit.	JI	This is incorporated into the Internal Audit Progress Report included as a second dispatch.
7.	<p>MINUTE 101 - INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR PERIOD ENDING 30TH SEPTEMBER 2014</p> <p>a) noting the statement that unless the claim rate increased significantly over the next three to six months, that a significant proportion of the Super Connected Cities grant would be unspent and would therefore need to be returned, there was a request for a written response on action being taken to address this situation and ensure that the full allocation was being spent within the required timescales.</p>	I Smith / N Godfrey	<p>A response on behalf Of Noelle Godfrey was sent to members of the Committee by Rob Sanderson Democratic Services on 6th January reading:</p> <p>There are several elements to the Super Connected Cities programme (SCCP), the grant that is being referred to as potentially unspent relates to the provision of superfast broadband connectivity vouchers worth up to a maximum of £3,000 per connection to cover the capital costs for businesses upgrading their Internet connections. The rules of the scheme mean that It is currently only available to small and medium size businesses in Cambridge and South Cambridgeshire, with a scheme close date of March 2015. Despite the perceived value of the scheme, all 22 cities across the UK that are eligible for SCCP have initially seen a slower take-up rate than the government first anticipated. As a consequence the overseeing government department (Dept for Culture, Media & Sport - DCMS) announced in December that the scheme would be extended beyond March 2015 through to March 2016 and, subject to DCMS sign-off, the geographical scope could also be extended. Accordingly the Connecting Cambridgeshire team have</p>

			<p>applied to DCMS to extend the scheme to small and medium sized businesses across the whole of Cambridgeshire, including Peterborough and await confirmation from DCMS that this will be acceptable.</p> <p>If you have any follow up questions on the above please contact Noelle directly and copy me in so I can keep track of the current position.</p>
.	b) on discussions on Home to School Transport and the reasons for the overspend, which was approaching £1M. Members requested a report to a future meeting.	I Smith	<p>This is now the subject of a General Purposes Committee Member Working Group and as such, it would be better to await the report that they will be preparing once their review has completed.</p> <p>An oral update will be provided at the Committee on progress.</p>
	c) Agreed that Workforce Strategy needed to be added to the Action Log. An update report had previously been provided at the September Committee meeting)	Democra- tic Services.	<p>This has been discussed with HR who are to confirm whether an update can be provided for the March Committee meeting. The Chairman has advised that if this is not possible or there is no significant update, it should come to later meeting which is not looking at the draft Annual Accounts.</p>