

**AUDIT AND ACCOUNTS COMMITTEE MINUTES ACTION LOG FOR JANUARY 2018 COMMITTEE MEETING**

<b><u>NO</u></b>	<b><u>TITLE OF REPORT / MINUTE AND ACTION REQUESTED</u></b>	<b><u>LEAD</u></b>	<b><u>PROGRESS / RESPONSE</u></b>
<b>ACTIONS ARISING FROM THE MINUTES OF THE 7<sup>th</sup> JUNE MEETING 2016 COMMITTEE MEETING</b>			
1.	<b>MINUTE 214 - ISA 260 UPDATE REPORT - REGISTRATION OF LAND PURCHASED FOR HIGHWAYS PURPOSES</b>		
	There was a request for a six month progress update on the 18 month project to register all 6,000 parcels of land purchased for highways schemes with the Land Registry.	<b>Mike Atkins / Camilla Haggett (re-Rhodes)</b>	A report was presented to the 24 <sup>th</sup> January 2017 Committee meeting with an update to the July and November Committees. A further report has been scheduled for the May 2018 meeting  <b>Action ongoing</b>
<b>ACTIONS ARISING FROM THE MINUTES OF THE JULY 2016 COMMITTEE MEETING</b>			
2.	<b>MINUTE 226. MINUTES</b>		
	<b>Minute 213 'Systems in place to ensure that Section 106 Funds do not go unspent'</b> - The Committee at its September 2016 meeting agreed the following approach: <ul style="list-style-type: none"><li>Funds being applied against applicable expenditures,</li></ul>		An e-mail update was sent to the Chairman on 3 <sup>rd</sup> March 2017 stating that all the previously identified expired S106 receipts had been applied against eligible expenditure except £59K from Sidgwick Avenue as discussions were still on-going with the University as to how to use this. At that time no further S106 receipts had expired without having been being used.

	<ul style="list-style-type: none"> <li>undergoing discussions with a respective developer as to alternative possible uses for the funds, and if agreement was not possible, the funds being repaid.</li> <li>that where there were any exceptions / negotiations requiring monies to be returned, the Committee should be provided with details, either via an email or a report. <b>As an update, the November 2016 Committee meeting agreed that the updates should be provided on a six monthly basis.</b></li> </ul>	<b>Originally S Heywood / now Tom Kelly</b>	<p>The further six monthly update was provided to the Chairman in September 2017 identifying that no monies had been required to be returned to developers. <b>Next update due in March 2018. (Action: Tom Kelly)</b></p> <p><b>ACTION ONGOING</b></p>
<b>ACTIONS ARISING FROM THE MINUTES OF THE 29<sup>th</sup> NOVEMBER 2016 COMMITTEE MEETING</b>			
<b>3.</b>	<b>MINUTE 261 – CAMBRIDGESHIRE COUNCIL WORKFORCE STRATEGY UPDATE</b>		
	There was a request that once implemented, there should be a regular quarterly report on the Action Plan progress.	<b>Martin Cox / Lynsey Fulcher</b>	<p>An update report with the Draft Strategy was included on the May 2017 Committee agenda. As a result of the comments made the report did not go forward to General Purposes Committee (GPC) in June or to full Council in July as Strategic Management Team (SMT) deemed more work was required. At the November 2017 meeting it was reported as an update that the expectation was that a report would be presented to the January GPC Committee and February 2018 Council meetings.</p> <p>There has however now been further slippage as a result of SMT requiring that the staff survey and its results should be published first. The services action plans arising for the Survey are currently being prepared and actions from them would then need to be added</p>

			<p>to the Strategy. It was not now expected that the final Strategy would be in a position to be finalised for several more months.</p> <p>The main report lead Lynsey Fulcher had agreed in December to meet with the Chairman early in the New Year to arrange a suitable dates to discuss a draft.</p> <p><b>ACTION ONGOING</b></p>
4.	<p><b>MINUTE 264. INTEGRATED RESOURCES AND PERFORMANCE REPORT TO END OF AUGUST 2016 - Children Families and Adults – Basic Need Secondary –</b> reading “a +£1.3m in-year overspend is forecast. This is a movement of +£1.8m on the position reported last month and has been caused by accelerated spend on the St Bede’s program, which is part of the Cambridge City 3 form entry scheme. This has arisen due to works commencing earlier than anticipated to accommodate the fire damage sustained at the (St Bede’s) school. A revised budget for the project will be known in September 2016, which will include funding from the loss adjuster”. <b>There was a request from the Chairman for an update as the above date had passed.</b></p>	<p><b>S Heywood / T Kelly</b></p>	<p>An initial update response sent to the Chairman in January 2016 explained that the insurance claim discussions were ongoing. The final figure to be dependent on the level of fees the insurance company would be prepared to fund. A further update was provided on 7<sup>th</sup> March 2017 indicating that the final figure was not likely to be known until “well into the next financial year”.</p> <p>An e-mail update was sent to the Chairman on 22<sup>nd</sup> December 2017. This provided details of the total agreed claim for the fire reinstatement works and confirmation that the insurer would be paying the full amount (for the works, but also all the project fees) with the figures reflected in the Council’s financial monitoring information.</p> <p><b>ACTION COMPLETED.</b></p>

<b>ACTIONS ARISING FROM THE MINUTES OF THE 30<sup>th</sup> MAY 2017 COMMITTEE MEETING</b>			
5.	<p><b>Page 28 Item 10 Minute 287 Audit and Accounts Minute Action Log a) - Risk 9 on Corporate Risk Register - Further response on definition of what would represent sufficient Infrastructure Funding</b> - On the response provided and the wording at the end of the response reading “.... This risk reflects the fact that there is a significant chance that over time, the available funding will not be sufficient to meet all stated needs”</p> <p><b>A further response was requested outside of the meeting to the Chairman regarding if there was insufficient funding what other funding options could there be.</b></p>	<p>Tom Kelly /Tom Barden</p>	<p>A meeting was finally able to take took place between Councillor Shellens and Bob Menzies in early December where the Chairman enquired regarding the infrastructure projects not being delivered due to their not being sufficient funds, and what the shortfall was. In response, The Chairman was provided with information regarding the Local Transport Plan and the Transport Investment Plan, that showed the projects the officers wished to undertake, explaining that the list was not fixed, with new infrastructure requirements continuing to come forward.</p> <p><b>ACTION COMPLETED</b></p>
<b>ACTIONS ARISING FROM THE MINUTES OF THE 21<sup>st</sup> NOVEMBER 2017 COMMITTEE MEETING</b>			
6.	<b>MINUTE 45 REGISTRATION OF LAND PURCHASED FOR HIGHWAY PURPOSES</b>		
	RVS to add to agenda plan	<p>Rob Sander Son (RVS)</p>	<p>Added.</p> <p><b>ACTION COMPLETED</b></p>

7.	<b>MINUTE 46 - SAFER RECRUITMENT IN SCHOOLS UPDATE</b>		
	<p>On being informed that schools run by Government appointed trusts were currently exempt from Local Authority (LA) safeguarding inspections unless invited in, <b>In a discussion on whether representations should be made to the Secretary of State to require such audits, Councillor Williams undertook to raise the issue with the Executive Director of People and Communities. Action.</b></p>		<p>In a response to Councillor Williams dated 29<sup>th</sup> December Wendi Ogle-Welbourn replied stating “<i>We do not have any powers to inspect safeguarding in schools - be it maintained or academy. We can ask to undertake reviews and I believe in maintained schools we can insist upon accessing the provision to undertake a review. The legislation says - Paragraph 60 of the Department of Education’s statutory guidance on safeguarding : Governing bodies and proprietors of all schools and colleges should ensure that their safeguarding arrangements take into account the procedures and practice of the Local Authority (LA) as part of the inter-agency safeguarding procedures set up by the local safeguarding children board (LSCB).</i></p> <p><i>The children act says – “Local Authorities (Las) are required to provide services for children in need for the purposes of safeguarding and promoting their welfare. Concerns around safeguarding can be referred to the Regional Schools Commissioner or the Office for Standards in Education, Children's Services and Skills (Ofsted) who may refer back to the LA to review (this is where we can make enquires) but not do inspections.</i></p> <p><i>I am clear that the governing bodies/Trusts are responsible for safeguarding in schools and the local authority should be advisers only and only when Ofsted ask us to intervene should we do so”.</i></p> <p><b>ACTION COMPLETED</b></p>

8.	MINUTE 47. CHILDREN'S SOCIAL CARE-LOADS UPDATE		
	a) There was a request that lines on graphs in future should be in a format which would be distinguishable when printed in black and white. (e.g. using different symbols on different lines).	SJ Smedmor / Lou Williams	<p>It was confirmed that graphs would be produced in future reports more in line with those already produced for the Finance and Performance Reports.</p> <p><b>Action ongoing</b> as the next update report as requested at the November meeting was not now due until May.</p>
	b) The Chairman asked for a progress update to be sent to the Committee regarding the retention level of the 47 recently appointed social workers.	SJ Smedmor / Lou Williams to action	<p>A response was sent to the Chairman with the update information on 9<sup>th</sup> January. It is included as <b>appendix 2</b> to this report.</p> <p><b>ACTION COMPLETED</b></p>
9.	MINUTE 48. CAMBRIDGESHIRE MUSIC – RECRUITMENT PROBLEMS UPDATE		

	<p>The Head of the Music Service reported that progress had been slow which was further hindered by the delay in the introduction of ERP Gold. The Committee's view was that a streamlining process was needed to allow the manager to manage within the budget, as the additional recruitment of music teachers paid for itself through the fees charged. <b>The Deputy Section 151 Officer agreed to investigate further and provide a clarification response.</b></p>	<p><b>Tom Kelly</b></p>	<p>An email response was sent on 22nd December to the Chairman and to Councillor Hudson which updated the position on the reported delays in being able to advertise vacant posts at Cambridgeshire Music as follows:</p> <p>Reviewing the process to get from <b>A</b> [a manager deciding to recruit] to <b>B</b> [seeing a post as open on <a href="https://www.publicsectorjobseast.co.uk/">https://www.publicsectorjobseast.co.uk/</a> ], have confirmed that:</p> <ol style="list-style-type: none"> <li>1. Managers are reminded to have finance and director sign-off before recruiting by the recruitment system, however the website does not enforce this before publishing*</li> <li>2. However, in order to recruit, managers must have a vacancy within the establishment (this is the list of agreed posts held by the system).</li> </ol> <p>*the establishment control process was reformed earlier in 2017 to be lighter touch - putting the onus onto managers to have got sign-off rather than insisting on sign-off being evidenced.</p> <p>With this in mind I have suggested to Matthew, Wendi and Cambridgeshire Music that:</p> <ul style="list-style-type: none"> <li>• there is already pre-agreed standing financial sign-off for posts within Cambridgeshire Music that generate a surplus above their cost.</li> <li>• that Wendi (as Executive Director) similarly delegates a standing sign-off for Cambridgeshire Music posts that generate a surplus above their costs (and that Cambridgeshire Music will obtain this in individual cases ahead of a job offer being made rather than ahead of launching a recruitment)</li> </ul>
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			<ul style="list-style-type: none"> <li>that Cambridgeshire Music create flexibility in their 'establishment' (i.e. extra posts are listed on the system) so that they always have "empty" posts ready to use on the recruitment system at the right time.</li> </ul> <p>We know that some teams within the Council are getting vacancies listed online within a matter of hours, so there isn't an insurmountable issue with the recruitment website.</p> <p>Additionally People and Communities are making permanent and investment of ~£85k in the proposed Business Plan for next year in a small team of recruitment support advisors to help smooth this process for individual managers.</p> <p>Taken together, I think having pre-agreed posts ready should significantly reduce any delays Cambridgeshire Music are currently experiencing in being able to recruit.</p> <p>Let me know if you would like to talk this through further.</p> <p>Many thanks</p> <p>Tom Kelly Head of Finance LGSS – Cambridgeshire County Council 01223 703599</p>
10.	<b>MINUTE 49 - ANNUAL EXTERNAL AUDIT LETTER</b>		
	a) It was clarified that all material misstatements identified had been rectified by the accounts sign off date. <b>As this was not specially stated in the Executive Summary it was requested that in future years this</b>		



	<b>type of information should be included</b> in future letters.	<b>L Clampin BDO</b>	External Audit agreed to make this change in future letters.  This action would be monitored for compliance in September 207  <b>ACTION ONGOING</b>
	<b>a) Page 64 bullet 4 regarding audit differences which remained uncorrected. The Chairman requested Finance provide more details of the line reading £710,000 arising from unadjusted misstatements identified in the prior period in relation to the accounts.</b>	<b>T Kelly</b>	<b>ACTION ONGOING</b>
<b>11.</b>	<b>MINUTE 50 - FINAL ISA 260 AUDIT COMPLETION REPORT</b>		
	<b>a) Regarding Appendix II Recommendations and Action Plan and particularly pages 105-106 Action there was a request for an update to be provided by the next meeting on the status of the management responses where the timeframe was completion by December or before.</b>	<b>Tom Kelly</b>	<b>ACTION ONGOING</b>
	<b>b) Pages 114 the Chairman highlighted an example of a very long sentence with over 100 words and asked that in future External Audit should avoid using such long sentences.</b>	<b>BDO to take account in all future reports.</b>	To be monitored.  <b>ACTION ONGOING</b>

<b>12.</b>	<b>MINUTE 51 - FINAL ISA 260 REPORT – PENSION FUND AUDIT</b>		
	<b>The Vice- Chairman queried why the Pension Fund report went to the Pensions Committee but the Pensions accounts only went to Audit and Accounts Committee.</b> It was explained that this was in line with national requirements but that a more detailed explanation would be provided outside of the meeting.	<b>Tom Kelly</b>	A response was provided to the Vice Chairman on 23 <sup>rd</sup> November with the text included in Appendix 2 to this Action Log.  <b>ACTION COMPLETED</b>
<b>13.</b>	<b>MINUTE 52 - PREPARING FOR THE 2017-18 CLOSEDOWN</b>		
	To receive updates on progress to future meetings.	<b>RVS</b>	Update reports were added as items to both the January and March 2018 meetings on the agenda plan.
<b>14.</b>	<b>MINUTE 53 - TRANSFORMATION FUND MONITORING REPORT Q2 2017-18</b>		
	a) Some concerns were expressed regarding the number of layers of management included in the new People and Communities Directorate and whether this could be detrimental to economy efficiency and effectiveness in delivering front line services. In discussion, the Head of Internal Audit suggested that Human Resources should be asked to provide a briefing note in	<b>RVS contact</b>	A request was made to Human Resources (HR) for a briefing paper to be provided. This is still in the process of being actioned.  <b>ACTION ONGOING</b>

	the context of overall Council structures. If the Committee still had concerns then Internal Audit could investigate further. <b>Democratic Services contact HR</b>	<b>Janet Atkin</b>	
	b) To request a further update Report to the Committee's March meeting.	<b>RS add to Agenda Plan</b>	This has been added. <b>ACTION COMPLETED</b>
<b>15.</b>	<b>MINUTE 54 - INTERNAL AUDIT PROGRESS REPORT TO 31<sup>ST</sup> OCTOBER 2017</b>		
	a)		
	<p>a) Project Management Methodologies audit undertaken on the implementation of new project management methodologies at Cambridgeshire County Council (CCC) resulting in limited assurance being given.</p> <p>As this was already an area of specific concern to the Council <b>The Chairman requested an update on progress required to be included as a section in the next Internal Audit Progress report, including an update on the progress against the original recommendations.</b></p>	<b>M Kelly</b>	<p>An update section on Project Management is included in the Internal Audit Progress Report included on the agenda – see paragraph 5.1. The outstanding actions are reported as is the normal practice within the outstanding actions section of the same report. Internal Audit are currently monitoring the actions through their work with the Transformation Team.</p> <p><b>ACTION ONGOING</b></p>
	b) Appendix B - <b>updates requested for future meetings where target dates were not shown or had been passed. The Head of Internal Audit confirmed that updates would be included in the</b>		As always as part of their monitoring, Internal Audit continue to seek updates. However in the report included on the agenda Members will note that there are a substantial number of actions shown as needing an update. This is due partially to the Christmas break and the number of staff within the Council taking the opportunity to take extended leave which has reduced response

	<b>next Internal Audit Progress report which was standard practice. Action</b>	<b>M Kelly</b>	rates. However more importantly, Internal Audit usually take a progress report to Strategic Management Team (SMT) the week before the report is submitted for inclusion in the Audit and Accounts Committee agenda. This allows members of SMT to see the outstanding actions in their area and send reminders to their staff to respond. However this month SMT was pushed back to Thursday 11 <sup>th</sup> January and therefore there had not been the opportunity for review by SMT in advance of the preparation of the Internal Audit Progress Report.
<b>16.</b>	<b>MINUTE 55 - INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 30<sup>th</sup> SEPTEMBER 2017</b>		
	A3 colour appendix page 219 A/R 6.205 'Children's Social Care support for young people with complex needs' with reference to the forecast commentary reading "Currently forecasting shortfall in 2017-18 due to delayed start of the hub but still forecasting ability to meet total savings over the next two year's" <b>Councillor Crawford requested additional information regarding the reasons for the delay with the Hub previously known as the 'No Wrong Door approach'. Action</b>	<b>RVS contact Sarah-Jane Smedmor</b>	Democratic Services passed on in an e-mail to Cllr Crawford dated 9 <sup>th</sup> January information on the Hub (formerly the 'No Wrong Door approach') that had been prepared previously to update Children's Service Committee members.  <b>ACTION COMPLETED</b>

### Children's Social Care Retention Level of the section 47 Recently Appointed Social Workers - Arrangements for Retaining 47 Recently Appointed Social Workers

This is a brief summary of recruitment and retention of social workers following a request by Members to track the retention of 47 workers hired over the summer of 2017. We have sourced information from Human Resources (HR) and our recruitment teams. For context, on 30 September 2016, there were 389 registered social work posts (full and part-time) in Cambridgeshire and we had 30 vacancies (24 filled by agency workers). From 30 Sept 2015 to 30 Sept 2016, we had a 13% turnover rate, which was amongst the lowest for the region and statistical neighbours, and less than the national average of 15%. We are awaiting the publishing of 2017 national statistics shortly.

We have focused on the recruitment of qualified social workers only, not other workers based in Children's Services (which could include psychologists, clinicians, family workers, etc.). In this case, there were 26 social workers recruited between 1<sup>st</sup> May 2017 and 30<sup>th</sup> September 2017, and including all levels of qualified workers – Consultant Social Workers, Senior Social Workers, Social Workers and Newly Qualified Social Workers in their ASYE year. *Note: The **Assessed and Supported Year in Employment (ASYE)**. social worker is a 12 month programme for assessing newly qualified social workers (NQSWs). It supports the NQSW during their first year in employment, helping them to develop their skills, knowledge and professional confidence.* Of this cohort, 2 social workers left – one ASYE realised they could not manage the work and family commitments and one worker had transferred from a different discipline and felt that work with safeguarding children was not what they wished to continue doing.

However, given this does not represent 47 members of staff, we extended the parameters from 1 May 2017 to 31 December 2017. This gave a list of 33 new starters, but still only 2 leavers, which represents 6% of the new recruits making different career choices.

To try and further understand where the number of 47 new hires had been arrived at, we looked at new hires of social workers (main grade social workers, not Consultant and Senior social workers) across Children's and Adults services, which represents 47 workers. Again, only two of these have left – one from Adults and one from Children's (noted above).

As noted above, staff turnover is a rolling programme, and we will need to have the entire years' worth of data to fully assess if this is a trend or not. However, given a turnover of 13% last year, 6% would appear to be roughly commensurate with last year. Importantly, the anecdotal reasons for the two people leaving appear to be about individuals making career choices for themselves and their situations, rather than any other reason.

**RESPONSE TO QUERY FROM THE VICE- CHAIRMAN ON WHY THE PENSION FUND REPORT WENT TO THE PENSIONS COMMITTEE BUT THE PENSIONS ACCOUNTS ONLY WENT TO AUDIT AND ACCOUNTS COMMITTEE.**

Dear Councillor Rogers

This is an issue that causes confusion.

- 1 The County Council Audit & Accounts Committee are responsible for the approval of the pension fund Statement of Accounts which form part of the County Council Accounts (as an Appendix) and are covered by the Audit Opinion on the County Council.
- 2 The separate pension fund document incorporates the Statement of Accounts (above) together with a more narrative Annual Report.
- 3 The Auditors provide a report stating that the Statement of Accounts is consistent with the CCC accounts.
- 4 Pension Committee approval:
  - a. The Pension Committee receive a copy of the full document and a covering report at its “Annual Meeting” at the end of July. However, the Pension Committee are only responsible for the approval of the Annual Report.
  - b. Approval is given on the draft Annual Report with a delegation to the Chairman of the Pensions Committee to approve any subsequent minor changes arising from the finalisation of the BDO audit.
  - c. A tracked changes version of the whole document was sent to Cllr Hickford (cc Cllr Rogers) on 24 October 2017 for approval and his sign-off on the Annual Report was received on 3 November 2017.
- 5 The s151 Officer signs the Introduction to the full document and the Statement of Responsibility.
- 6 For completeness please note that the Auditors signed report was received last Thursday, 16 November, and the Annual Report & Statement of Accounts will be published before the 1 December deadline.

Let me know if you need anything else.

Regards

Richard Perry Pension Services Financial Manager