

**AUDIT AND ACCOUNTS COMMITTEE MINUTES ACTION LOG FOR 30<sup>TH</sup> JULY 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 JULY 2016 COMMITTEE MEETING</b>			
<b>2.</b>	<b>MINUTE 226. MINUTES</b>		
	<p><b>Minute 213 'Systems in place to ensure that Section 106 Funds do not go unspent'</b></p> <p>The November 2016 Committee meeting agreed that updates either to the Committee or to the Chairman should be provided on a six monthly basis.</p>	<b>Tom Kelly</b>	<p>Next update due in September 2018. (Action: Tom Kelly)</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>		
	<p>There was a request that once implemented, there should be a regular quarterly report on the Action Plan progress.</p>	<b>Martin Cox / Lynsey Fulcher</b>	<p>The report submitting the final Strategy for endorsement by General Purposes Committee and for final approval by full Council has been rescheduled a number of times since the report to the November 2016 Committee.</p> <p>Officers have agreed to provide the Chairman with a copy of the</p>

			intended report going to GPC Committee in September. The timetable is for it to go to General Purpose Committee in September and Council in October.  <b>ACTION ONGOING</b>
<b>ACTIONS ARISING FROM THE MINUTES OF THE 23<sup>rd</sup> JANUARY 2018 COMMITTEE MEETING</b>			
<b>5.</b>	<b>61. AUDIT AND ACCOUNTS MINUTE ACTION LOG FOR JANUARY 2018</b>		
	a) <b>Audit and Accounts Training Plan – Running through the detail of a non-contentious project-</b> It was originally agreed that the session requested by the Chairman, should be before the March meeting.	<b>M Kelly</b>	This was to have been held before the January Committee meeting. However, due to officer illness on the day of the Committee, this session had to be postponed and a new date arranged.  As agreed at the May 2018 meeting that having consulted with the Committee the Chairman was still keen for Internal Audit to offer this training to the Committee. Internal Audit to liaise with Chairman on finding a suitable date in the autumn.  <b>ACTION ONGOING</b>
<b>ACTIONS ARISING FROM THE MINUTES OF THE MARCH 2018 COMMITTEE MEETING</b>			
<b>6.</b>	<b>MINUTE 77 - DRAFT INTERNAL AUDIT PLAN 2018-19</b>		
	<b>Action: Internal Audit look at lower contract thresholds for reassurance (to ensure greater value for money was being achieved) and also to look at the administrative cost of procurement compliance.</b>	<b>D Wilkinson / Mairead Kelly</b>	These would be undertaken as part of the reviews included in the Internal Audit Plan being undertaken.  Economy and Environment Committee at their meeting in April when considering the Ely Bypass overspend Capital Report requested that Internal Audit should review this project as part of one of the reviews on capital project overspends to establish whether any lessons could

			be learnt going forward.
			<b>ACTION ONGOING</b>
<b>ACTIONS ARISING FROM THE MINUTES OF THE 29TH MAY 2018 COMMITTEE MEETING</b>			
7.	<b>MINUTE 84. MINUTES ACTION LOG</b> <b>Minute 72 Demography And Demand Planning Presentation Budgeting For Looked After Children</b>  <p>Regarding the action for a report summarising the proposals scheduled for the Children and Young People's (CYP) Committee in May, the full report had been circulated to the Committee on 22<sup>nd</sup> May. As the CYP meeting had only been the previous week and the Minutes not yet drafted / cleared, a short report would be circulated to the Committee following approval of the CYP minutes.</p> <p><b>Action</b></p>	<b>R Sanderson to Liaise with Lou Williams</b>	<p>Actioned in an email from Democratic Services (Rob Sanderson) on 29<sup>th</sup> June 2018. This provided the report Transforming Outcomes for Children In Care which had been presented to the 22<sup>nd</sup> May Children and Young People's (CYP) Committee and also the relevant Minute from that meeting along with the background document titled 'Change for Children Children's Services in Cambridgeshire' referenced to in the CYP discussion.</p> <p><b>ACTION COMPLETED</b></p>
8.	<b>MINUTE 85- CHILDREN'S SOCIAL CARE CASE LOADS QUARTELY UPDATE</b>		
	The Chairman requested that he meet with officers outside of the meeting to discuss age structures.	<b>Sarah-Jane Smedmor</b>	The Chairman confirmed at the meeting that this was still ongoing.
9.	<b>MINUTE 86 - REGISTRATION OF LAND</b>		

	<b>PURCHASED FOR HIGHWAY PURPOSES</b>		
	One Member suggested that if land was identified that was no longer required for highways purposes it might be useful depending on their size, to offer them on a first refusal basis to the appropriate district council, It was suggested the Member put the proposal in writing and then the Chairman / Democratic Services could bring it to the attention of Commercial and Investment committee.	<b>Cllr White-head</b>	This will be followed up. <b>ACTION ONGOING</b>
	Councillor French requested that officers' make available to her when it became available the list of land in Fenland identified as no longer required for highways purposes.	<b>Daniel Ashman</b>	This would be at a later date <b>ACTION ONGOING</b>
<b>10.</b>	<b>MINUTE 87 - TRANSFORMATION FUND MONITORING REPORT QUARTER 3 2017-18</b>		
	a) The Chairman suggested the savings figures for the third quarter were disappointing and in reply on when the next report would be received it was agreed to add to July meeting	<b>RVS</b>	A report on the fourth quarter is included on the agenda. <b>ACTION COMPLETED</b>
	b) The Chairman asked for details of the target figure for the category 'Using Assistive Technology to help those with Learning Disabilities live and be more independent4 without the need for 24 hour or overnight care' (page 48)	<b>Julia Turner</b>	This was provided in an e-mail to the Committee on 8 <sup>th</sup> June by Democratic Services <b>ACTION COMPLETED</b>

	<p>c) Page 53 last paragraph under the section Neighbourhood Cares - The officer undertook to provide a fuller explanatory note to the Chairman outside of the meeting through Democratic Services.</p>	<p><b>Julia Turner</b></p>	<p>This was provided in an e-mail to the Committee on 8<sup>th</sup> June by Democratic Services.</p> <p><b>ACTION COMPLETED</b></p>
	<p>d) There was a request for more information in a future report regarding the Cambridgeshire Lottery in terms of:</p> <ul style="list-style-type: none"> <li>○ how much money it was being estimated it would raise,</li> <li>○ the number of people who were expected to participate,</li> <li>○ the prize money that was to be offered,</li> <li>○ how much County Council money was at risk.</li> <li>○ How long was the Council committed to the Lottery.</li> </ul>	<p><b>Julia Turner</b></p>	<p>This was provided in an e-mail to the Committee on 8<sup>th</sup> June by Democratic Services.</p> <p><b>ACTION COMPLETED</b></p>
	<p>e) It was suggested that the next update report should include the relevant minutes from the General Purposes Committee as an appendix.</p>	<p><b>Julia Turner</b></p>	<p>A summary of the discussion at General Purposes Committee is included within paragraph 1.3 of the report on the current agenda.</p> <p><b>ACTION COMPLETED</b></p>
<b>11.</b>	<b>MINUTE 88. INTERNAL AUDIT ANNUAL REPORT 2017-18</b>		

	a) The Chairman indicated that he had some minor changes to the presentation text that he would share with the officers outside of the meeting.	<b>Cllr Shellens / Neil Hunter</b>	Changes provided. <b>ACTION COMPLETED</b>
	b) In response to question on when debt performance targets could be expected to improve, the response was within the first three months of the year. <b>The Chairman asked that Internal Audit should follow up on this commitment.</b>	<b>M Kelly</b>	Action ongoing
	c) It was suggested that in future, changes to the AGS from the previous year should be highlighted in the draft document (as most of the AGS remains the same in order to make it easier for Committee to identify the key elements that had changed).	<b>M Kelly</b>	Action ongoing
<b>12.</b>	<b>MINUTE 91 - WHISTLE BLOWING POLICY ANNUAL REPORT</b>		
	a) The Chairman indicated that he had some drafting issues that he would share with the lead officers after the meeting.	<b>M Kelly / Chair-man</b>	These have been passed on. <b>ACTION COMPLETED</b>
	b) it was requested that a further report should come back to the September Committee with update details of the		Action ongoing.  The report is included on the forward agenda plan with the title

	number complaints received under the Policy to help Members consider further, the effectiveness of the current publicity measures.		'Revised Whistleblowing Policy'.
	c) It was agreed that the officers and the Councillor should arrange a further meeting to establish any changes required to the text of 2.4 and seek to resolve any other concerns the Member had with the currently worded policy.	<b>M Kelly / Cllr White-head</b>	This is being progressed.
<b>13.</b>	<b>MINUTE 92 -INTEGRATED RESOURCES AND PERFORMANCE REPORT (IRPR) FOR THE YEAR ENDING 31st MARCH 2018</b>		
	<p>a) It was agreed that officers would change the future presentation to include start of year baseline figures as standard in future reports and would provide details on trends outside of the meeting.</p> <p>b) The need to include a title to the pie chart Corporate Risk Register indicator information on page 120 for future reports and if practicable, increase the size of the text.</p> <p>c) Request that on presentation table two lines should be provided one detailing the brought forward figures</p>	<p><b>T Barden</b></p> <p><b>T Barden</b></p>	<p>This information in the form of a document attachment with trends for the past year was provided in an e-mail from Democratic Services on 31<sup>st</sup> May 2018. This also acknowledged that both Audit and Accounts Committee and General Purposes Committee had asked for information on the starting position of the activity numbers in the front few pages of the IRPR. The intention was that the changes on baseline figures would be provided in the report which this Committee will receive at its September meeting.</p> <p>Titles were included in the report on the current agenda.</p> <p><b>ACTION COMPLETED</b></p>

	<p>and another titled “other” for the month. <b>Officers to consider further the future formatting of the report in the 2018-19 financial year.</b></p> <p>d) <b>There was a request to provide an explanation outside of the meeting regarding reference to street lighting having used more energy than had been anticipated,</b></p> <p>e) <b>text relating to the number of people or seriously injured on Cambridgeshire’s roads being higher than the target, was unfortunate wording and officers undertook to revise it in future reports.</b></p>	<p><b>T Kelly</b></p> <p><b>T Kelly</b></p> <p><b>T Barden</b></p>	<p>An oral response was to have been provided.</p> <p>An oral response was to have been provided.</p> <p>This would be updated for the September meeting.</p>
	<p>f) <b>Page 138 - Item 10.1 ‘Treasury Management Activity’ - the Chairman asked for an explanation on why the interest receivable actual figure had resulted in a variation of around £800k less than had been estimated for in the budget. This was the result of interest rates having been lower than expected and was a misclassification. The officers would look at the format of the table for future reports.</b></p> <p>g) <b>there was a request that in respect of the debt management report scheduled for the Committee, the</b></p>	<p><b>Tom Kelly</b></p> <p><b>T Kelly / R Sander-</b></p>	<p>Ongoing action</p> <p>The report is included in the agenda plan for the September meeting and the lead officer Bob Outram has been informed that his</p>



	lead officer should attend to be able to answer questions of detail. Action	son	attendance is required.
<b>ACTIONS ARISING FROM THE MINUTES OF THE 12TH JUNE 2018 COMMITTEE MEETING</b>			
14.	<b>MINUTE 96. DRAFT STATEMENT OF ACCOUNTS 2017-18</b>		
	Pensions Section		
	Page 132 – in the first table Item - Actuarial present value of promised retirement benefits – column titled “effect if actual results differ from assumptions” explanation sought on last lines reading “...and a one year increase in assumed life expectancy would approximately increase the liability by between £125m and £201m” on why the range shown rather than one figure. <b>The officer undertook to check the figure and provide an explanation outside of the meeting.</b>	<b>Tracy Pegram</b>	A schedule of amendments and other information requested was provided in an e-mail from Democratic Services (Rob Sanderson) dated 11 <sup>th</sup> July.
	Same section: <b>There was a request for information to be provided outside of the meeting regarding the line under the heading ‘Investment Management expenses’ - other costs - which had shown an increase from £283k in 2016-17 to £1,102k in 2017-18. Action</b>		See above
	<b>There was a request that the following should be included in the final version of</b>	<b>Tracy Pegram</b>	See above

	<b>the Pension Fund Accounts:</b>		
	<ul style="list-style-type: none"> <li>• Management expenses - A note to include a reference to comparison with the CIPFA benchmark.</li> <li>• A link to the full pension report.</li> <li>• Page 127 – taxation section – irrecoverable tax – suggest the figure is included in the section.</li> <li>• Reference to Access Pool in balance sheet note.</li> <li>• 13. Taxes on Income – page 135 – Note expanded explaining the difference between the two sets of figures.</li> <li>• Make reference in the notes 14-17 starting on page 137 that the figures do not add up across the page in the table. (The layout being a CIPFA designated requirement).</li> <li>• An income / expenditure one page summary to be provided at the beginning of the section.</li> </ul>		
	<b>The Chairman asked to see a draft in advance of the Accounts being published for the July Committee</b>	<b>Tracy Pegram</b>	This was undertaken.

	meeting.		
<b>15.</b>	<b>MAIN ACCOUNTS</b>		
	<b>The same request as for the Pensions section that a one page income and expenditure summary be provided at the front of the Accounts Action</b>	<b>M Savage</b>	See page 29 of the Accounts document.
	<b>Comments on the Narrative Report section</b>		
	<b>Page 5 Reserves</b> - reference to unusable reserves – request to provide an example that a member of the public could understand.	<b>Martin Savage (MS) / Michelle Parker</b>	<b>Oral confirmation that included to be confirmed at meeting</b>
	<b>Page 11-12 Connecting Cambridgeshire, Cambridge North Station – request for figures to be included</b>	<b>MS</b>	<b>Oral confirmation that included to be confirmed at meeting</b>
	<b>Page 13 - Commercial Assets and Investments second paragraph first date to read 2017-18 rather than 20117-18.</b>	<b>MS</b>	<b>Oral confirmation that included to be confirmed at meeting</b>
	<b>Page 15 - after Workforce Profile section – suggested a page break be inserted so that the Statement of Accounts section starts on a new page.</b>	<b>MS</b>	<b>Oral confirmation at meeting</b>
	<b>Page 25 - Balance Sheet as at 31<sup>st</sup> March</b>		
	<b>Replying to why cash equivalents had no figures - it was indicated that there were</b>	<b>MS</b>	<b>Oral confirmation at meeting that has been removed</b>

	<b>no figures in the balance sheet and therefore required to be removed.</b>		
	<b>Page 31 – Note 6. Critical Judgements in applying Accounting Policies</b>		
	<ul style="list-style-type: none"> <li><b>Reference to Balfour Beatty plc</b> reading “- to replace Cambridgeshire’s existing street lighting network and subsequent maintenance until 2016”, The Chairman suggested the <b>wording might require revisiting as this suggested every street light was to be replaced. The officers would check and amend.</b></li> </ul>	<b>MS</b>	<b>Oral confirmation at meeting on action taken</b>
	<b>Page 32 Heritage Assets</b>  <b>1.</b> The Chairman queried the reference reading “.....there remains £3.4m of Heritage Assets that have not actually been reviewed to determine their individual lengths of deposit. It was explained that following the sale of the very largest items, the items remaining were individually of very low value. <b>It was requested that some explanatory text to this effect should be added.</b>	<b>MS</b>	<b>Oral confirmation that included was to have been confirmed at the meeting</b>
	<b>Page 33 - Pension Liability – the explanation on funding arrangements was</b>	<b>J Lee</b>	



	still own them as this was the case with Children's Centres <b>but it was agreed this would be checked and confirmation provided to Members outside of the meeting.</b>		<b>This action would be followed up as the officer was on leave at the time the report was finalised.</b>
	<b>Page 48 Reconciliation of Fair Value Measurements within Level 3 of the Fair Value Hierarchy – The line reading 'Total gains (or losses) for the period included in Surplus or deficit on revaluation of Long Term Assets – Action: need to make clear which it was.</b>	<b>MS / ET</b>	<b>An oral update to be provided on the action taken.</b>
	<b>Page 62 Senior officers' salaries – these were shown as a pro-rata. It was indicated that the <b>Executive Director People and Communities</b> was a 50/50 split this year and therefore note 2. would need to change. Officers would also check with BDO if a note was required to highlight that the Monitoring Officer had resigned since the end of the financial year.</b>	<b>MS</b>	<b>An oral update to be provided.</b>
	Page 63 Remuneration Banding Table – In respect of the one person in the £155-159k range this was the salary and redundancy package. It was suggested that an <b>explanation should be included that it was salary plus on-costs, as it was currently misleading. Action</b>	<b>MS</b>	<b>An oral update to be provided.</b>

	<p><b>Page 64-65 - Note 34 and Table - Dedicated Schools Grant (DSG)</b> - there was a discussion on the deficit increase resulting from high needs which was anational andnot just a local issue. For 2018/19 there was a transfer from the Schools Block to support the high needs position. If the pressure continued to grow in the future, it would need to be met from the DSG. <b>Action: The Chairman asked for a note to be sent to him on what action was being undertaken.</b></p>	<p><b>Rob Sanders on to contact Lou Williams</b></p>	<p>Actioned in an email from Democratic Services (Rob Sanderson) on 29<sup>th</sup> June 208 providing the background document titled 'Change for Children's Services in Cambridgeshire'</p> <p><b>ACTION COMPLETED</b></p>
	<p><b>Page 66 - Note 35 Grant Income – table titled Grant Income supplied with Mandate Requirements</b></p> <p>Line 'Pupil Premiums' – <b>The Chairman requested an explanation on it going down from £10,133M to £9,366m - action</b></p>	<p><b>Jon Lee</b></p>	<p>This information was provided in an e-mail from Democratic Services (Rob Sanderson) to the Committee dated 26<sup>th</sup> June 2018.</p> <p>The movement in the Pupil Premium Grant that the Local Authority receives is due almost entirely to academy conversions and therefore the grant no longer coming to the local authority. There has been a 1.6% increase in the total number of pupils between October 2016 and October 2017 as follows:</p> <p>78,940 in Oct 2016 census 80,189 in Oct 2017 census</p> <p>There has also been a 1.3% increase in FSM pupil premium grant being awarded in total over the last 2 years, so a very small change in the number of eligible pupils meaning the balance of grant funding has shifted from the local authority to academies. This is the data from the grant allocations spreadsheets for the main Pupil Premium Grant.</p>

			<table><tr><td></td><td>Total LA funded FSM premium (L)</td><td>Total ESFA funded FSM premium (M)</td><td>TOTAL</td></tr><tr><td>2017-18</td><td>£7,665,717</td><td>£8,871,919</td><td>£16,537,636</td></tr><tr><td>2016-17</td><td>£8,509,091</td><td>£7,824,114</td><td>£16,333,206</td></tr></table>		Total LA funded FSM premium (L)	Total ESFA funded FSM premium (M)	TOTAL	2017-18	£7,665,717	£8,871,919	£16,537,636	2016-17	£8,509,091	£7,824,114	£16,333,206
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			<b>ACTION COMPLETED</b>												
	<b>Page 69 – This Land Companies</b> - the Chairman queried the title as the subsequent text seemed to suggest there was only one company.It was explained that several had been incorporated in the last year.The information was provided in the Group Accounts. <b>The Chairman asked the officers to look at the text again to see if any re-wording was required.</b>	<b>MS</b>	<b>An oral update to be provided.</b>												
	<b>Page 69 – Opus LGSS People Solutions Ltd</b>  In response to questions it was indicated that the Country Council joined last year with the Suffolk County Council the lead		<b>An oral update to be provided regarding this action.</b>												



	authority. <b>The entry needed to be changed from stating there was a debtor balance to a creditor balance</b>	<b>MS</b>	
	<b>Page 79 Local Government Pension Scheme</b> – In response for an explanation on the line titled ‘current service costs’ which had increased by £18m, it was explained that this was an Actuarial adjustment . <b>Officers indicated that they would ask the Actuary what the figure was made up of.</b>	<b>MS to ask Actuary to provide a note</b>	An e-mail providing this information was provided by Democratic Services (Rob Sanderson) on 5 <sup>th</sup> July 2018 containing the Hymans Robertson Cambridgeshire Pension Fund Actuarial Valuation as at 31 <sup>st</sup> March 2018.  <b>ACTION COMPLETED</b>
	<b>Actuarial gains / losses lines - required explanation</b>	<b>MS / TPegram</b>	<b>Oral update to be provided.</b>