

AUDIT AND ACCOUNTS COMMITTEE MINUTES ACTION LOG FOR MAY 2017 COMMITTEE MEETING

<u>NO</u>	<u>TITLE OF REPORT / MINUTE AND ACTION REQUESTED</u>	<u>LEAD</u>	<u>PROGRESS / RESPONSE</u>
ACTIONS ARISING FROM THE MINUTES OF THE 7th JUNE MEETING 2016 COMMITTEE MEETING			
1.	MINUTE 214 - ISA 260 UPDATE REPORT - REGISTRATION OF LAND PURCHASED FOR HIGHWAYS PURPOSES		
	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.	Mike Atkins / Camilla Hagggett (re-Rhodes)	<p>A report was presented to the 24th January 2017 Committee meeting. As a result of the revised timescale for the project, there was a request a receive a further progress report to the July Committee meeting to include details of investigations made into the potential for any land to be classed as surplus with a subsequent potential sale value.</p> <p>A report has been scheduled on the agenda plan for the July Committee.</p> <p>Action ongoing</p>
ACTIONS ARISING FROM THE MINUTES OF THE JULY 2016 COMMITTEE MEETING			
2.	MINUTE 226. MINUTES		
	Minute 213 'Systems in place to ensure that Section 106 Funds do not go unspent' recommendation that where		An email was sent to the Chairman on 3 rd March highlighting that all the previously identified expired S106 receipts had been applied against eligible expenditure except £59K from Sidgwick Avenue.

	<p>Section 106 monies could not be applied against relevant expenditure by the deadline in the agreement, the County Council should ensure the developer was informed in due course. The Committee at its September meeting (Minute 251-8) agreed the following approach to be followed on identified unspent Section 106 monies:</p> <ul style="list-style-type: none"> • Funds being applied against applicable expenditures, • undergoing discussions with a respective developer as to alternative possible uses for the funds, and if agreement was not possible, the funds being repaid. • 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. As an update, the November Committee meeting agreed that the updates should be provided on a six monthly basis. 	<p>S Heywood / Tom Kelly</p>	<p>Discussions on this were still on-going with the University as to how to use this. No further S106 receipts had expired without having been being used.</p> <p>Action completed for the six month period. The next update to be provided to the September 2017 meeting.</p>
<p>ACTIONS ARISING FROM THE MINUTES OF THE 20th SEPTEMBER 2016 COMMITTEE MEETING</p>			
<p>3.</p>	<p>MINUTE 249. INTEGRATED RESOURCES AND PERFORMANCE REPORT</p> <p>Transformation Fund - a report in due course requested to illustrate the effectiveness / benefits of the spend undertaken.</p>	<p>S Heywood / T Kelly</p>	<p>It was agreed at the November meeting that the update report back should come forward to the July 2017 meeting. The report title has been added to the current Forward Work Programme</p> <p>Action ongoing</p>

ACTIONS ARISING FROM THE MINUTES OF THE 29th NOVEMBER 2016 COMMITTEE MEETING			
4.	MINUTE 261 – CAMBRIDGESHIRE COUNCIL WORKFORCE STRATEGY UPDATE		
	There was a request that once implemented, there should be a regular quarterly report on the Action Plan progress.	Martin Cox / Lynsey Fulcher	An update report with the Draft Strategy is included on the current May agenda. Action ongoing
5.	MINUTE 264. INTEGRATED RESOURCES AND PERFORMANCE REPORT TO END OF AUGUST 2016 Children Families and Adults – Basic Need Secondary – reading “A revised budget for the project will be known in September, which will include funding from the loss adjuster” the Chairman requested an update.	S Heywood / T Kelly	A response was sent to the Chairman on 5 th January 2017 explaining that the insurance claim discussions were still ongoing, with agreement on the range of the settlement, and these were figures provided in the e-mail. However the final figure would be dependent on the level of fees the insurance company would fund. Once known the final figure settlement would be provided to the Chairman outside of the meeting. An update provided on 7 th March indicated that the final figure was not likely to be known until “well into the next financial year” Action ongoing.

6.	MINUTE 267 - TRADING UNITS UPDATE - MAIN BARRIER FOR THE MUSIC SERVICE BEING CURRENT RECRUITMENT PRACTICES		
	Matthew Gunn to discuss possible solutions with Chris Malyon and HR (Martin Cox) with support from the Head of Internal Audit if required and that progress should continue to be monitored.	M Gunn / C Malyon / M Cox / D Wilkin- son	<p>An update on 22nd February indicated that Matthew Gunn (MG) had with other colleagues in the traded services prepared a proposed approach to reserves for their commercial structures for the consideration of finance as a method of planning. He had also been working with HR to exploring ways to simplify some of the sticking points in current recruitment processes. Some was dependent on some systems development already planned.</p> <p>An update received on 17th May indicated that:</p> <ul style="list-style-type: none"> - on the Finance proposal for managing traded reserves, this had been sent to Amanda Askham and Kerry Newson. MG was chasing progress. - HR: The Service was waiting to see what improvements transpired once the new system came into operation in the Autumn. There was still a need to consider the commercial requirements in recruitment terms as part of trading activities – perhaps as part of the commercial board process. <p>Action ongoing.</p>
7.	MINUTE 268- SAFE RECRUITMENT UPDATE		
	That in the event of a further Internal Audit Review finding a serious failure of safeguarding recruitment practice, the local headteacher from the school(s) identified should be asked to attend the next available Committee and the Head of	D Wilkin- son / K Grim- wade	a) This will be as and when necessary.

	governors requested to do likewise. <i>(Note: The word in the Minutes was “required” but the County Council cannot compel an Academy head teacher to attend)</i>		
ACTIONS ARISING FROM THE MINUTES FROM THE 24TH JANUARY 2017 MEETING			
8.	MINUTE 276 CAMBRIDGE LIBRARY ENTERPRISE CENTRE UPDATE		
	To agree to invite the Head of Transformation to the May meeting of the Audit and Accounts Committee, to provide a further update on the implementation of revised project management processes and the Council’s Transformation Programme.	M Kelly / R Sanders- on	A report is included on the agenda from Head of Transformation, Amanda Askham. Action completed.
ACTIONS ARISING FROM THE MINUTES OF THE 21ST MARCH 2017 COMMITTEE MEETING			
9.	MINUTE 286 MINUTES 24th JANUARY Minute 277 Ely Archives In discussion there was agreement to the need for officers to highlight to Members that projects required a margin of error to be built in and Members needed to accept this. In terms of constructive officer – member relations this was seen as an important issue to be included as part of the training induction programme for both new members and existing Members post the May elections” . Action: The Chairman wished to ensure this was actioned and an appropriate officer identified.	M Kelly	An oral update will be provided

10.	MINUTE 287 AUDIT AND ACCOUNTS MINUTES ACTION LOG		
	<p>a) The Chairman did not consider that the response to Risk 9 regarding a request for a definition of what would represent sufficient Infrastructure Funding had been adequate. He had expected a greater level of detail, including what funding was available in terms of a statement of financial requirements, a statement of where the funding would come from, whether there was an identified funding gap, and if so, what the Council was doing regarding identifying / seeking the necessary resources. The Chairman of the Economy and Environment Committee suggested that for a meaningful response to be provided the Chairman needed to define further what he required, as the questions covered such a large remit.</p>		<p>The following response was sent to the Chairman on 28th April provided by Tom Barden after consultation with ETE officers and which was subsequently approved by the Executive Director ETE Graham Hughes:</p> <p><i>“The County Council has a key role in the strategic planning of infrastructure to support our communities, economy, society and environment.</i></p> <p><i>One element of this role is to define what infrastructure is needed, which we do by understanding the needs of the population and the impacts of development. That might be about forecasting the number of places we need in schools and settings, or identifying transport needs through the Local Transport Plan and District Transport Strategies. We also work closely with the District Council’s in the development of their Local Plans and scrutinise developers’ proposals in order to estimate the likely need for new roads or services. We work closely with partners in doing this work including Highways England in respect of the trunk road network and the Department for Transport and Network Rail for rail infrastructure.</i></p> <p><i>The Council then seeks funding from a variety of sources, e.g. section 106, CiL, external grants, government, in order to secure as much funding as possible towards the infrastructure that is determined to be required. This sometimes involves negotiation with partners, funders and developers to determine the precise nature of the infrastructure that is required, because there may be different options to meet a need, or planning law may also have an impact. Developers may also directly deliver infrastructure, such as the access road to Northstowe and the Council has also played a</i></p>

			<p><i>pivotal role in securing nationally funded and delivered projects such as the A14 upgrade and Cambridge North station. ‘Sufficient funding’ therefore means the funding required to deliver the infrastructure that is considered necessary through the processes set out above to meet the needs of the community.</i></p> <p><i>Although the above lists the sources of funding, it is not possible to say absolutely in financial terms what this equates to. Needs change over time as do available funding streams. The Council seeks to maximise its ability to draw on these various funding streams but 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”.</i></p> <p>Action completed.</p>
	<p>b) Minute 261 Cambridgeshire Council Workforce Strategy Update - As an update to the timetable, it was orally reported that the final report was now scheduled to be presented to the Audit and Accounts Committee on 30th May.</p>	<p>RVS to update Forward Plan</p>	<p>The report is included on the agenda.</p> <p>Action completed.</p>
	<p>c) Item 9 – Safe Recruitment Update – there was a request to schedule a further update report following the elections to ensure the Committee’s continued watching brief.</p>	<p>RVS to schedule for July</p>	<p>The work programme has been updated.</p> <p>Action completed.</p>

11.	MINUTE 288 EXTERNAL AUDIT PLAN FOR THE YEAR ENDING 31ST MARCH 2017												
	<p>Property, plant and equipment (PPE) valuations:</p> <p>The Chairman requested a note be provided (outside of the meeting) to give him assurance that any material differences in both valuation approach and resulting figures had been identified and could be justified.</p>	Ellie Tod Group Accountant, Finance	<p>A response was sent to the Chairman on 18th May.</p> <p>Action completed.</p>										
12.	MINUTE 289 - LGSS STATEMENT OF ACCOUNTS 2015-16												
	<p>There was a request to providing details of the breakdown of the apportionment of any final surplus, as in an earlier year there had been concerns regarding how much of a previous surplus was retained by LGSS.</p>	I Jenkins	<p>An email was sent to the Committee on 10th April indicating that in 2015-16 the surplus on LGSS was £204k. This was retained by LGSS to be utilised for the following purposes:</p> <table border="1" data-bbox="1021 935 1944 1393"> <thead> <tr> <th></th> <th style="text-align: right;">£000</th> </tr> </thead> <tbody> <tr> <td>Infrastructure investment for the development of the Learning Pool – the online training system for all LGSS customers.</td> <td style="text-align: right;">95</td> </tr> <tr> <td>Contribution to the cost of technical refresh / investment costs in relation to the shared IT data centre infrastructure to provide the necessary technical infrastructure to host shared systems in the domain for the county councils and, on a charged basis, for future customers.</td> <td style="text-align: right;">56</td> </tr> <tr> <td>Top-up redundancy reserve.</td> <td style="text-align: right;">53</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">204</td> </tr> </tbody> </table>		£000	Infrastructure investment for the development of the Learning Pool – the online training system for all LGSS customers.	95	Contribution to the cost of technical refresh / investment costs in relation to the shared IT data centre infrastructure to provide the necessary technical infrastructure to host shared systems in the domain for the county councils and, on a charged basis, for future customers.	56	Top-up redundancy reserve.	53	TOTAL	204
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<p>13.</p>	<p>MINUTE 291. RISK MANAGEMENT REPORT</p> <p>a) Risk 1a) and 1b)</p> <p>The Officers were asked to take back to Strategic Management Team (SMT) the Committee's concerns regarding the lack of planned actions and the request that they should be populated in future versions of the Register, as well as the observation that that as reported, they tended to be backward looking</p>	<p>T Barden</p>	<p>The Committee's concerns were reported to SMT. SMT / General Purposes Committee (GPC) will be considering the development of the risk register in June 2017, as set out in the report provided to Audit and Accounts Committee on 21 March 2017. This will provide the opportunity to review the key risks, controls, and actions which need to be taken to ensure adequate mitigation. The Committee's point that actions should be provided and the controls should include some forward-looking activity will also be considered there.</p> <p>Key actions that have been added to the register in respect of risk 1a) are as follows (these are noted on the final CRR of 2016/17):</p> <table border="1" data-bbox="1014 587 1980 906"> <tr> <td data-bbox="1014 587 1720 691">1. Review of process for production of 2018-19 Business Plan</td> <td data-bbox="1720 587 1877 691">DCEX</td> <td data-bbox="1877 587 1980 691">May-17</td> </tr> <tr> <td data-bbox="1014 691 1720 762">2. Early engagement with new Council Members</td> <td data-bbox="1720 691 1877 762">CEX</td> <td data-bbox="1877 691 1980 762">Jul-17</td> </tr> <tr> <td data-bbox="1014 762 1720 906">3. Deliver transformation programme to transform Council services (annually reviewed as part of business planning)</td> <td data-bbox="1720 762 1877 906">DCEX</td> <td data-bbox="1877 762 1980 906">Mar-18</td> </tr> </table>	1. Review of process for production of 2018-19 Business Plan	DCEX	May-17	2. Early engagement with new Council Members	CEX	Jul-17	3. Deliver transformation programme to transform Council services (annually reviewed as part of business planning)	DCEX	Mar-18
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	<p>b) The Chairman suggested that reference should be made to Service Committee Integrated Resources and Performance Reports (IRPR) in the current risk register.</p>	<p>T Barden</p>	<p>1b – The monthly Integrated Resources and Performance Report (IRPR) includes the recommendation for GPC to 'analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action is required.'</p> <p>Information about remedial action to correct over or under-spends, or below-target performance, is contained in the IRPR itself, or in reports about the operational divisions which are accessible via hyperlinks in the IRPR. A link to these reports will be provided in the CRR actions section.</p>									

	c) There was the need to highlight the role of the Transformation Project in future versions.	T Barden	The Council's Transformation Programme describes the key actions the Council is taking to ensure that the business plan is delivered over the five year period, and that the Council's financial position and service delivery is robust and sustainable.
	d) Cllr Chapman queried when 1a) and 1b) had first been recognised and included as Corporate Risks and whether it was since the change from a Cabinet to a Committee system. Action The officer agreed to investigate further.	T Barden	<p>We do not hold the information about when risks have been first identified. Officers have reviewed versions of the CRR from 2014 (introduction of committee system) and from 2012 (5 years ago) to check when risks have been added to the register. Risks added since May 2014 have included:</p> <ul style="list-style-type: none"> • The pension fund has the potential to become materially under-funded; • Failure to address inequalities in the county continues; • Failure to deliver Waste savings / opportunities and achieve a balanced budget. <p>Risks present on the register in April 2012 that were removed in 2012-13 were:</p> <ul style="list-style-type: none"> • Failure of Partnership Working; • Housing Growth; • Localism and Community Engagement; • Community Cohesion; • Pooled Budgets. <p>All other risks on the current register not mentioned in the lists above have been consistently monitored since at least April 2012.</p>
	e) Risk 3 - It was suggested that reference should be made to the cost of housing being a contributory factor to failure to retain or recruit staff.	T Barden	Response from Janet Maulder Head of HR – Janet Maulder has confirmed she would like this adding to risk 3 as it is genuine issue in the recruitment and retention of staff. They are working on ways to make the County Council more attractive as an employer of choice, publicising what we can offer on top of pay – however the reality is

			that people can be put off moving into the area when they realise what house prices are like within parts of the County.
	<p>f) Risk 21 – business disruption – on the revised target dates Action: clarification was requested regarding whether the changed target dates referred to the original target date or were subsidiary milestones.</p>	T Barden	<p>A review of the activity around the action to establish a second data center has been undertaken. It has been established that the original target dates referred to the completion of the IT Resilience Project, which was intended to be completed in 2013. This project was completed in 2015, and the action log of the Audit and Accounts Committee of 31 March 2015 records the completion of the action. This established a facility at Scott House to provide back-up for the Council's critical IT systems in the event of major business system failure. This facility forms a key part of the Council's IT risk mitigation.</p> <p>The LGSS strategic plan is to consolidate all of its datacentres into two – one in Cambridge and one in Northampton. This involves upgrades to datacentres and the infrastructure to connect them together. This work will provide LGSS with the necessary building blocks to work with customers (Cambridgeshire County Council, Northamptonshire County Council, Milton Keynes Council etc.) to replicate all applications and systems across from the primary site to the secondary, providing a high degree of resilience. The nature, scope and timing of that work is different for each customer; so for instance Milton Keynes is at an advanced point because they had to move out of their existing datacentres anyway. Work to move Cambridgeshire onto this infrastructure will be discussed at the next capital board, in order to confirm the investment required. The risk register will be updated with fresh actions and dates following this discussion.</p> <p>The accompanying report (Appendix 1) from LGSS provides further detail on the current controls and recent actions mitigating risks around IT resilience.</p>
	<p>g) Action: Request to Sue Grace to be asked for her assessment</p>	Sue Grace	Discussion about business disruption also covered the risks of Brexit to the workforce required for care homes – and the requirement to

	<p>of the likelihood of a complete business collapse scenario.</p>	<p>have contingency plans in place. A report discussed by Adults Spokes on this topic has been provided to Cllr Shellens. The briefing notes:</p> <ul style="list-style-type: none"> • The latest National Minimum Dataset states that across the county 9% of the independent sector workforce are from the European Union (EU) and 9% of employees are from outside of the EU. The majority of these staff work in care homes or for organisations providing home care services. • Under the current rules workers who have been in the UK for 5 years or more will be able to continue working and can apply for residency if they wish. The position is less clear for workers who have been in the UK for less than 5 years, although there is no suggestion that workers will be required to leave the UK if they are working. • In the short term (2 years), it is likely that some employers will continue to recruit staff from the EU in order to grow their business. Some employers have indicated that they may seek to increase the number of EU workers employed prior to the detail of the Brexit negotiations and subsequent deal being finalised. It should be noted that all providers continue to advertise their vacancies in the UK as a matter of course • In recent months employers have found it more difficult to attract EU workers due to a fall in the value of the Pound. There is also some evidence that EU workers are becoming increasingly worried about the reported rise in anti-EU sentiment in the UK and are now less willing to travel to the UK for work • The Contracts Team employ an officer whose role is to work with providers to ensure that they have robust recruitment and retention strategies in place. The officer works alongside the Council's own Workforce Development Team, Skills for Care, Skills for Health and local colleges. The officer has encouraged providers to attend Job Fairs, encouraged them to develop retention strategies, attend schools and colleges
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		<p>to promote the sector as a career alternative and worked with local media to promote male carers.</p> <p>Furthermore, the risk 'Cessation of delivery, loss in quality and/or failure of adult social care providers', which covers this issue, is included on the CFA Risk Register, with the following controls:</p> <ol style="list-style-type: none"> 1. Robust contracting and monitoring procedures 2. Effective use of PQQs (pre-qualifier questionnaires) 3. Active involvement by commissioners in articulating strategic needs to the market 4. Risk-based approach to in-contract financial monitoring 5. New specifications for Voluntary and Community Sector (VCS) infrastructure support contract focuses on business development activity, consortia working, commissioning and procurement activity. 6. Closer working between compliance agencies, & CCC (e.g. Environmental Health, Health and Safety, Police, Fire Service, CQC, Safeguarding etc.) 7. Provide support to failing care homes to improve standards 8. Robust performance management and processes to manage providers 9. Managing Provider Failure Process in place to ensure care and support needs of those receiving services continue to be met if a provider fails 10. Early Warning Dashboard in place, to alert to likelihood of provider failure, reported to Children, Families and Adults (CFA) Performance Board and Management Team 11. Management oversight of our own in house provision. <p>The current residual score on the CFA risk register is 12. The residual likelihood score is 3, or 'possible'. This risk refers to the issue of some care providers collapsing; the likelihood of <i>all</i> care providers collapsing is thought to be low given that 9 out of 10 workers are not from EU countries.</p>
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			To develop the social care workforce and have the effect of mitigating this risk locally, a proposal to introduce a Health and Care Worker Pilot, providing skills to support 2000 people on Universal Credit into higher skilled jobs, and support the social care workforce, is being discussed by the Combined Authority.
	h) Risk 15 - Failure of the Council's Arrangements for Safeguarding Vulnerable Children and Adults trigger one – reading “Children’s social care case-loads reach unsustainable levels as indicated by the unit case load tool” there was a request for quarterly updates on children’s social care case-loads to enable monitoring the potential risk involved.	T Barden to speak to W Ogle-Welbourn	The Director of Children’s Social Care has confirmed the information can be provided. It is suggested that the first update is provided to the September meeting.
	i) Risk 26 – Increasing Manifestation of Busway Defects - required dates to be inserted.	T Barden/ B Menzies	Response from Bob Menzies, Service Director Strategy and Development, on 5 April 2017 – The issues around the release of and publishing the County Councils dates (namely tour plans) is highly business sensitive and is subject to litigation privilege. Therefore we are not in a position to publish, as this could have a financially detrimental impact on the Council’s position within this process. Bob Menzies has offered to meet the Chairman and provide him with a confidential briefing on the case and the actions officers were taking. Action completed
	j) Risks 29 – ‘Failure to address inequalities in the county continues’ and Risk 30 – ‘Failure	T Barden	

	<p>to deliver Waste savings / opportunities and achieve a balanced budget' (and any others with March target dates) Action: request for e-mail confirmation that they had been met or an update target provided if they had slipped / been revised.</p>		<p>Actions have been updated where responses have been available, and / or an updated target date has been provided on the risk register. This has been include separately as Appendix 2.</p> <p>Action completed</p>																															
	<p>k) Looked after Children – with reference to the reply provided from Wendy Ogle-Welbourn regarding the Chairman's continued concern at the overoptimistic budget forecasts in the current and previous years, he indicated that he was not satisfied with the response provided. He requested details of the original budget forecasts and final budget position for the last five years and more detail on the information taken into account when building the budget for the current year, to provide the necessary assurance that this was a more realistic figure.</p>	<p>T Barden / W Ogle-Welbourn</p>	<p>Budget and actual expenditure for the last five years, as well as the budgeted position for the upcoming year are shown overleaf:</p> <table border="1" data-bbox="1140 619 1953 1098"> <thead> <tr> <th rowspan="2">Financial Year</th> <th>Total LAC Population</th> <th>Budget</th> <th>Expenditure</th> </tr> <tr> <th>No's.</th> <th>£'000</th> <th>£'000</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>474 - 479</td> <td>£16,781</td> <td>£15,903</td> </tr> <tr> <td>2013/14</td> <td>479 - 501</td> <td>£16,113</td> <td>£16,428</td> </tr> <tr> <td>2014/15</td> <td>501 - 535</td> <td>£15,579</td> <td>£17,119</td> </tr> <tr> <td>2015/16</td> <td>535 - 610</td> <td>£14,737</td> <td>£16,520</td> </tr> <tr> <td>2016/17</td> <td>610 - 677</td> <td>£12,512</td> <td>£16,664</td> </tr> <tr> <td>2017/18</td> <td>568 - 625</td> <td>£14,431</td> <td></td> </tr> </tbody> </table> <p>Detailed papers on the Strategy and approach to Looked after Children were considered by Children and Young People's Committee and General Purposes Committee in October 2016.</p> <p>In view of demand patterns since the budget was set this area remains a key financial risk. The Head of Finance suggests that this issue is considered by General Purposes Committee (GPC). This may include consideration of the partial allocation of the corporately</p>	Financial Year	Total LAC Population	Budget	Expenditure	No's.	£'000	£'000	2012/13	474 - 479	£16,781	£15,903	2013/14	479 - 501	£16,113	£16,428	2014/15	501 - 535	£15,579	£17,119	2015/16	535 - 610	£14,737	£16,520	2016/17	610 - 677	£12,512	£16,664	2017/18	568 - 625	£14,431	
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			held demography and demand budget to LAC placements in accordance with the agreed process for the treatment and deployment of support for demographic pressures. Action completed.
14.	MINUTE 292 DRAFT INTERNAL AUDIT REPORT		
	a) On Appendix 1 regarding the entry for an audit on Section 106 there was a query regarding why there was no similar audit for the CIL (Community Infrastructure Levy). It was explained that the audit would look at both. Action: There was a request to amend the title to make this clear.	M Kelly	This has been changed. Action completed.
	b) To ask the Internal Audit Team to investigate possibilities for an Internal Audit review across all organisations on delayed discharges to improve our performance.	M Kelly	This will be reported back in the Internal Audit Progress Report in July. Action ongoing.
15.	MINUTE 293 ANTI FRAUD AND ANTI MONEY LAUNDERING POLICY REPORT		
	a) Para 7.3 Draft Anti Money Laundering Policy - with reference to the Money Laundering Reporting Officer (MLRO) it was suggested that reference should		This has been added along with other requests for changes made at the meeting. There is a report on the current agenda with both updated policies and a whistle blowing policy, all three of which are for final approval.

	<p>be made to the post in this paragraph.</p> <p>b) With reference to text in Para 8.2 checking the legal requirement regarding the Proceeds of Crime Act on whether monies are in pounds or euros as the reference was in Euros with the pound equivalent being included in brackets) and providing the clarification in an e-mail outside of the meeting.</p>		<p>Action completed.</p> <p>Internal Audit confirmed in an email that the reference in the policy giving the amount in euros is correct, as required by the Money Laundering Regulations.</p> <p>Action completed.</p>
16.	MINUTE 294. ELY ARCHIVES – UPDATE ON ACTION PLAN PROGRESS		
	There was a request to provide details who the identified Ely Archives Transformation Project Manager was.	M Kelly	<p>This information was provided in an e-mail to the Committee on 6th April.</p> <p>Action completed</p>
17.	MINUTE 295. INTERNAL AUDIT PROGRESS REPORT FOR THE PERIOD TO 31ST DECEMBER 2016	M Kelly	
	<p>a) Page 250 – whistleblowing – Action: to feedback to the Chairman without revealing the person’s identity if there was found to be any substance to the one instance recorded.</p>	M Kelly	<p>An email was sent to the Chairman on 17th May indicating that the whistleblower had withdrawn their concern.</p> <p>Action completed</p>

	<p>b) B1 Travel and subsistence compliance</p> <p>i) Request for same review to be undertaken for County Council elected Members and that this should be added to the Audit Plan programme.</p> <p>ii) On the data migration from Oracle to the new Agresso system there was a request for assurance to be provided that there would not be issues regarding data capture / corruption of data.</p>	<p>D Wilkin-son / M Kelly</p> <p>M Kelly</p>	<p>A revised Audit Plan will be included in the next Internal Audit - Update report to be submitted to the July meeting.</p> <p>Action ongoing</p> <p>This will be included in the next Internal Audit Update report to be submitted to the July meeting.</p> <p>Action ongoing.</p>
	<p>Appendix B Page 267 Domiciliary Care - Centralised system for Monitoring Missed Calls – As the information was not provided in the update, there was a request for details of missed calls. It was agreed that a response would be provided in an e-mail outside of the meeting.</p>	<p>M Kelly</p>	<p>An email from Internal Audit on 4th May clarified that the update was in respect of following up a specific action from the original report and therefore the information provided only related to that action. The details on missed calls was included in the original Internal Audit Report from which recommendations for improvement were then created.</p> <p>Action completed</p>
18.	<p>MINUTE 296. INTEGRATED RESOURCES AND PERFORMANCE REPORT TO END OF JANUARY 2017</p> <p>a) That in respect of performance targets where the Council had</p>	<p>T Kelly</p>	<p>Some performance management approaches encourage the use of indicators which describe population level outcomes, over which the Council does not have direct control, but nevertheless intends that people experience that outcome – for example, employment or education achievement indicators. The Council’s Business Plan describes an ‘outcome-led’ approach, so it is helpful to monitor such</p>

	<p>little control, Finance officers be asked to raise with senior officers the value of continuing to report them and if it was still considered worthwhile, to look to separate them out.</p>		<p>indicators. However, understanding how well the Council is performing also requires consideration of other factors, such as activity and quality of services. This takes place at service committees and (to a greater extent) at management teams. A review of corporate key performance indicators will take place in June, alongside the review of the risk register, which will consider this point.</p> <p>Action ongoing</p>
	<p>b) 6.1 - Capital Programme. The Chairman requested that he be provided outside of the meeting the percentage slippage on the capital programme in each of the last five years.</p>	<p>Ellie Tod</p>	<p>A response was provided on 4th May 2017 and is included as Appendix 3 to this Minute Action Log.</p> <p>Action completed</p>
	<p>c) The Chairman suggested as a way forward that the Committee should receive a report to the July meeting on the detail around population forecasting for future education rolls and transport infrastructure requirements.</p>		<p>Further information is available for the Committee on this topic.</p> <p>The Capital Strategy 2017-18 is contained in the Business Plan, available at https://www.cambridgeshire.gov.uk/council/finance-and-budget/business-plans/business-plan-2017-to-2018/. This sets out the overall framework of funding sources and the governance of capital investments which are part of the programme.</p> <p>The framework the Council uses for population forecasting, and the way that informs capital requirements specifically in education and transport planning, is set out in the following documents: Education capital requirements: http://www.cambridgeshire.gov.uk/downloads/file/520/education_or_ganisation_plan</p> <p>The Business Intelligence Service is working on producing pupil forecasts at the moment according to this methodology, working closely with the 0-19 Place Planning Team.</p>

			<p>Work is also underway to review the current methodology, which has been in place for more than 10 years. A new and improved approach will be used to produce forecasts in 2018 for the 2018/19 academic year.</p> <p>Transport capital requirements: https://www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/transport-plans-and-policies/ These pages provide detail on the modelling of transport requirements for Cambridgeshire, in response to population growth and development.</p> <p>A report can be provided if these documents do not provide the detail required by the Committee.</p>
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Appendix 1

IT elements of the Business Continuity Risk on Corporate Risk Register

LGSS IT, April 2017

Introduction

The Corporate Risk Register Q4 2016-17 (dated January 2017) contains Risk No 21 – Business Disruption. One of the triggers for this risk is described as “loss of IT, equipment or data”.

The action associated with this trigger is: “Project to establish 2nd LGSS data centre for resilience/backup of all systems, in addition to Scott House facility”.

The register suggests that this action was initially due to be completed by March 2013, with the date for completion now moved to June 2017. The Committee requested further information on whether the initial date was correct. It has been established that this original date

described a milestone within the plan to build a second data centre, following the completion of a first back up data centre at Scott House, not the date at which that data centre would become operational.

However, there are existing controls in place to mitigate the likelihood and impact of this risk.

This paper therefore sets out the three areas which address this risk:

- Scott House – capacity to mitigate the impact of failure (existing resilience arrangements) – operational from 2012
- Platform Stability Plan – actions to reduce risk of failure
- LGSS Data Centre – future resilience arrangements to mitigate impact of failure

Scott House – existing resilience arrangements, operational since 2012

Existing IT resilience arrangements delivered by the use of IT equipment at Scott House (Huntingdon):

- Shared data (network folders and files) available, with a delay of approximately 5 minutes.
- Email available instantly (unless Cambridge Octagon Machine Room completely lost – in which case approximately 30 minutes delay to attend Scott House and activate “failover loadbalancer” equipment). Given the IT infrastructure available at Scott House and the likely load upon it, the performance of the email service is likely to be reduced from the normal.
- ONE children’s education and social care system available in approximately 12 hours (allowing for the restoring of database backups).
- AIS Swift adults’ social care system available in approximately 12 hours (allowing for the restoring of database backups).

Platform Stability Plan

As a result of major IT infrastructure issues in November 2016 (mainly manifesting themselves as issues with network logon and access to Outlook email), the Platform Stability Plan was embarked upon before the end of the month.

The plan has included reviews of the elements of the infrastructure by third-party consultants, including Windows infrastructure, Outlook Exchange infrastructure and CCC network (local area and wide area). As a result of these reviews, new monitoring solutions at a low level (e.g. CPU, disk space, and Memory) and a high-level (e.g. applications and websites) have been implemented.

In parallel with the PSP, the implementation of, and migration to, a new Storage Area Network (SAN) has been taking place and is currently on-going.

The Platform Stability Plan and migration to the new SAN has resulted in a significant improvement in the stability and availability of major IT services since November 2016, thereby reducing the risk of business disruption due to loss of IT, equipment or data occurring in the first place.

Major IT services include: network login; email; ONE children's education and social care system; AIS Swift adults' social care system).

LGSS Data Centre – future resilience arrangements

Future IT resilience arrangements will be delivered by the use of IT equipment at the LGSS Data Centre (Angel Street, Northampton):

- Shared data (network folders and files) available, with a delay of approximately 5 minutes.
- Email available instantly, with normal email functionality and performance.
- ONE children's education and social care system available, with a delay of approximately 5 minutes.
- AIS Swift adults' social care system available, with a delay of approximately 5 minutes.

Full details of the resilience arrangements for Cambridgeshire CC from the LGSS Data Centre are still being worked upon. The Capital Board is discussing a proposal to operationalise the facility at its next meeting. The bid proposes an operational 'live' date. Details can be provided at the meeting.

From: Bartram Rebecca
Sent: 04 May 2017 12:32
Subject: Audit & Accounts Action

As per the action from Audit & Accounts Committee on 21st March:

INTEGRATED RESOURCES AND PERFORMANCE REPORT TO END OF JANUARY 2017

- 6.1 - Capital Programme – in discussion on Capital Slippage and requesting the view of External Audit, Lisa Clampin explained that it was not unusual to have slippage as some of this was outside of the control of the Council. From an External Audit point of view their focus would be on the effective the use of resources and the financial management arrangements. **The Chairman requested that he be provided outside of the meeting the percentage slippage on the capital programme in each of the last five years.**

Please find my analysis below:

	Revised Capital Budget (£m)	Underspend (£m)	% Underspend	Underspend due to Slippage (£m)	% Slippage
2016/17	157.3	-5.2	3.3%	unknown	
2015/16	209.5	-62.2	29.7%	-54.1	25.8%
2014/15	197.4	-80.8	40.9%	-60.6	30.7%
2013/14	168.2	-62.1	36.9%	-26.9	16.0%
2012/13	184.2	-35.1	19.1%	unknown	

We do not yet have a break-down of the 2016/17 underspend to show what value was due to slippage on schemes and what was a true underspend. It is also not possible to do this analysis for the 2012/13 underspend.

Kind regards,
 Rebecca

