

Agenda Item No. 3

AUDIT AND ACCOUNTS COMMITTEE: UPDATE ACTIONS LOG REPORT FROM MINUTES OF MEETINGS OF 25th JULY AND 26th NOVEMBER 2013 AND 28th JANUARY, 20th MARCH and 10th JUNE 2014

<u>LOG NO</u>	<u>TITLE OF REPORT / MINUTE AND ACTION REQUESTED</u>	<u>LEAD OFFICER</u>	<u>PROGRESS</u>
ACTION ARISING FROM THE MINUTES OF THE 25TH JULY 2013 MEETING			
1.	MINUTE 6 - CODE OF CORPORATE GOVERNANCE		
	Page 9 of Minutes - The Chairman commented that the document made statements regarding good communications / engaging with the community effectively but this appeared to him to be one way communication, as no evidence was provided to support the statement e.g. from examples given orally at the meeting by Cabinet members of where policies had been changed as a result of feedback from residents. The Chairman suggested such examples should be included on the Council Tax Statement that went out to every resident	Chris Malyon / Chris Yates	<p>a) Good Communications / public influencing Council Policy</p> <p>An oral update at the September Committee meeting from the Section 151 Officer reported that this would be reviewed as part of the Council Tax setting arrangements following the agreement of the Budget, in February.</p> <p>The Section 151 Officer provided an update to the March Meeting reporting that no responses had been received from members of the public during the most recent consultation exercise requiring the Council to consider changing any of its policies. The Chairman in response indicated that he was not satisfied with this explanation. He indicated that he would therefore be arranging to meet with relevant officers regarding how many residents had been consulted and whether the consultation had been sufficiently comprehensive. Councillor Shellens to provide an oral update.</p>

ACTION ARISING FROM THE MINUTES OF THE 26 TH NOVEMBER 2013 MEETING			
2.	MINUTE 27 - ANNUAL AUDIT LETTER 2012/13 FROM PWC – THE COUNTY COUNCIL’S EXTERNAL AUDITOR		
	<p>a) In relation to the use of resources the external auditors had provided an unqualified conclusion on the Council’s arrangements to secure proper arrangements to secure economy, efficiency and effectiveness in its use of the Authority’s resources. Highlighting the word “effectiveness”, the Chairman would wish to see evidence that ordinary people also found this to be the case. <i>(Note following the meeting the Chairman indicated that he wished the Head of Audit and Risk Management to action this)</i></p>	Internal Audit / Democratic Services	<p>It was suggested at the January meeting that this was something that each new Committee should look at as part of its monitoring process going forward. It was agreed that service committees should be asked to consider identifying at least two projects within their remit and to check that they were satisfied that value for money considerations had been included and met. Officers from Internal Audit agreed they could help assist in identifying potential projects.</p> <p>Update from Service Committee meetings were provided at the June meeting where anew action was requested. See relevant minute.</p>
	<p>b) Page 5 of the report set out the summary of recommendations. <i>(Note The Chairman speaking to officers at a pre-meeting wished to ensure that with reference to the recommendation reading “that a review should be undertaken of the General Ledger to ensure all historic balances should be written off” (which had also been an issue raised in 2011/12) indicated that this needed a further progress update at the next meeting to include a timescale for completion.</i></p>		<p>Response to 2b) At the November meeting the Section 151 Officer had confirmed a review of what holding balances were being kept, was being undertaken.</p> <p>An update on progress was provided at later meetings in the Action Log confirming it would be integrated into the closing Annual Accounts for presentation to the September Committee meeting.</p> <p>Action ongoing</p>

	c) It was reported that in relation to the recommendation regarding Fixed Asset Accounting and the Indexation Analysis not having being carried out by the 30 th June deadline, steps were being taken to remedy this internally. The Chairman had requested that an update on progress be provided at the January meeting.	Chris Malyon	Response to 2c) An update was provided to the January meeting with the detail also included in the Minutes Log produced for the March 2014 meeting indicating that action was being taken to remedy the position. It was agreed by the Committee that there should be an update for the September 2014 meeting. Action ongoing
3.	MINUTE 30 – INTERNAL AUDIT PROGRESS REPORT TO 12th SEPTEMBER 2013		
	Safe Recruitment in Schools With reference to paragraphs 2.2.3 and 2.2.4 of the report attention was drawn to the fact that two schools had not received the necessary level of assurance. The Committee was advised that this audit was underway and would include a revisit of the two schools highlighted above and it was agreed that an update would be provided to the January meeting.	Jonathan Idle / Quentin Baker	Updates on progress were provided to the January and March meetings as set out in the previous log reports. A further update was to be included as part of the Internal Audit Update report for the June Meeting. It was indicated at the June meeting that the report had been re-scheduled for the July meeting as part of the Internal Audit progress report. Included on agenda. Action completed.

ACTION ARISING FROM MINUTES OF 28TH JANUARY MEETING

4.	<p>MINUTE 35 - ACTION LOG FROM MINUTES - ACTION 7 A) INTERNAL AUDIT ANNUAL REPORT FOR YEAR ENDED MARCH 2013</p> <p>Superfast Broadband</p> <p>a) The Chairman requested an update on whether the first milestones had been achieved. Councillor Count the Cabinet Member for Resources and Performance suggested this should also include an update on mobile phone ‘not spots’ as both were the subject of a great deal of media attention.</p> <p>b) Mobile Infrastructure Project (MIP) – There was a request for a further update on the Mobile Infrastructure Project (MIP) for the June meeting, as the update to the March meeting had indicated that the Connecting Cambridgeshire programme continued to provide support to the national MIP led by DCMS and Arqiva, to address mobile “not spots” nationally. It had been reported that national programme overall was running behind the timescales originally anticipated; however the outcome of the technical review for Cambridgeshire locations had been expected in April 2014.</p>	<p>Rob Sander-son to contact Noelle Godfrey</p>	<p>An update was provided in an e-mail dated 5th March to Members of the Committee from Democratic Services from Information provided by Noelle Godfrey the Connecting Cambridgeshire Programme Director as detailed in the Minutes Action log presented to the March Committee meeting confirming the first milestones had been achieved. It was agreed that a further update report should be provided to the September meeting - Action ongoing.</p> <p>Update provided at the June meeting where it was reported that the e national programme overall was running behind the timescales originally anticipated, and the technical review for Cambridgeshire locations was not forthcoming as had been expected in April 2014.</p> <p>A further update would be provided in the same report above</p> <p>Action ongoing</p>
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5.	MINUTE 38. - CABINET DISCUSSION OF THE REPORT INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR PERIOD ENDING 30TH NOVEMBER 2013		
	<p>a) In relation to the detail set out in paragraph 9.1 on the expected shortfall in capital resources of £31m resulting from the announced Department of Education (DfE) provisional capital allocations for 2015/16 and 2016/17 a question was raised on what action was being taken. In response it was reported that Adrian Loades Executive Director CFA had met with officials that week to lobby that the Government should change methodology calculations to provide a more equitable settlement for the County Council to reflect the real growth pressures in the County. This lobbying would continue. There was a request for an update at the next meeting in March on whether officers had been successful in securing a revised higher Education Capital settlement.</p>		<p>Response to 6a) It was reported at the March meeting that The Council was still negotiating with the Department for Education and no conclusion has been reached yet.</p> <p>An update was provided to the Committee on 15th May indicating that the Executive Director had subsequently met with officials from the Department for Education (DfE), whereby it was agreed that Council officers would compile a detailed information pack which would form the basis for further discussions with the DfE. A follow up meeting took place on 20 March at which a commitment was made by the two DfE officials present to share and discuss the contents of the pack with senior colleagues and secure a response to the issues raised in due course. Linked to this, the then Leader of the Council formally raised concerns with the Prime Minister about Cambridgeshire's funding position. Replies from the Prime Minister and subsequently David Laws MP were received, with David Laws acknowledging the Council's concerns and stating that DfE officials were reviewing the issues raised.</p>

			<p>The Head of Infrastructure was informed on 28 April that a positive response to one particular aspect of the Council's case was being prepared. It was indicated that should a response not be received by the 21 May, then the Executive Director would be raising the matter with David Laws.</p> <p>A further update will be provided at the meeting.</p> <p>Action ongoing</p>
	<p>b) There was a request that once Appendix 2 was refreshed, where there were still cases of slippage from a revised date, that the responsible officers should attend the Committee to explain the reasons.</p> <p>c) To request that Internal Audit arrange that where management actions continued to slip from the revised target dates, that a relevant officer is requested to attend the next meeting to explain the reasons.</p>	<p>John Davies</p> <p>John Davies</p>	<p>Action ongoing</p> <p>Action ongoing</p>
ACTION ARISING FROM THE MINUTES OF THE 20TH MARCH 2013 MEETING			
6.	MINUTE 48. INTERNAL AUDIT PLAN		
	<p>Suggesting that officers should consider an addition to the Plan in relation to work around the Pupil Premium which represented £900 per child. It was noted that this would need to be looked at further in relation to the practicalities involved.</p>	<p>John Davies</p>	<p>John Davies reports that Initial discussion has been undertaken with the Service Director who has provided a pro forma document through which Local Authority schools in Cambridgeshire undertake a review of how pupil premium monies have been spent in an academic year. Internal Audit are currently reviewing with a view to designing an audit approach. Action ongoing</p>

ACTION ARISING FROM THE MINUTES OF THE 10TH JUNE MEETING

11.	<p><u>Matters Arising</u></p> <p>Page 3 Minute 45 Action Log From Minutes Action 6d) Lobbying Progress in relation to the shortfall on Education Capital Resources</p> <p>As an update to the text provided in the Action Log (the next item on the agenda) it was orally indicated that there was no additional progress to be reported in the negotiations with Government as at the day before the meeting, but that the lead officer responsible for the Education Capital Programme was continuing to speak to Ministers and civil servants. As this was now a key risk on the Business Plan presented to General Purposes (GP) Committee, there would be a report to both GP Committee and the Service Committee in the summer on how to deal with the shortfall.</p> <p>Audit and Accounts Committee requested an update at their July meeting.</p>	Chris Malyon / Ian Trafford	See Appendix for initial update.
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12.	<p>Minute 46. Cabinet Discussion of the Report 'Integrated Resources and Performance Report for Period Ending 31st January 2014</p> <p>Bullet Two Page 4 - The Chairman, referring to the text which highlighted that the lack of key worker housing was a contributing factor in not being able to recruit social workers, suggested that this Committee and the relevant Service Committee should receive a progress report. As this would be explored as part of the City Deal this could be programmed, once the City Deal had been worked up in more detail and taking into account that Key Worker Housing is the responsibility of District Councils.</p>	Rob Sanderson / Bob Menzies	<p>The Executive Director ETE has responded that as the Council does not have a remit over key worker/affordable housing and is a District Council responsibility - this would not be the best use of officer time. Instead the intention is to include explanation of the City Deal by way of a member seminar as more members than just those on one committee need to know.</p>
13.	<p>Bullet Five Page 4 - Referring to the previous failure of LGSS to meet the Council Corporate target for responding to complaints within 10 working days and having been informed that mechanisms had been put in place, the Chairman requested an update on current LGSS performance against this target. The Risk Manager undertook to obtain details of the latest performance against the target.</p>	John Davies	<p>This information is provided in the Integrated Resource and Performance Update reports presented to the General Purposes Committee.</p> <p>An LGSS Complaint Handling Summary report was emailed to the Committee on 4th July.</p> <p>Action Completed</p>

14.	Minute 49. Assurance Framework Update - Monitoring of Key Performance Indicators		
	Bullet 8 - In relation to AF9 'Compliance with Legislative and Regulatory Requirements' and the need for management to ensure staff were aware of relevant legislative requirements in their service area, after discussion, it was agreed that Strategic Management Team (SMT) and Quentin Baker should be reminded of their responsibilities and asked to ensure relevant details were cascaded down their service through their own internal management structures which was particularly relevant at a time of time turnover and job changes.	Rob Sanderson to e-mail	An email was sent to SMT on 24 th June with the Chairman copied in. An update will be provided on progress at the next meeting
15.	Action 4 Minute 30 Internal Audit Progress Report 12th September 2013 – Safe Recruitment in Schools		
	It was noted that the Internal Audit Progress Report, which would have included the update review on the two schools highlighted in the original report (as not having received the necessary level of assurance), had been moved from the current meeting, to the July Committee meeting. It was requested that the above update must come forward to the July meeting with details of the further audit undertaken, as this was an area of long standing concern for the Committee.	Jonathan Idle	Included on agenda
16.	MINUTE 60 ANNUAL RISK MANAGEMENT REPORT		
	<ul style="list-style-type: none"> One Member highlighted that the document (e.g. 1b) still made reference to portfolio holder review which required amendment. 	John Davies / Jonathan Idle	An oral update will provided on these at the meeting

	<ul style="list-style-type: none"> In relation to page 2 Risk Number 3 titled 'The Council does not have appropriate staff resources with the right skills and experience to deliver the Council's priorities at a time of significant demand pressures' one Member highlighted that the revised target date had been amended three times in relation to the 'Workforce Strategy and Development Plan' going back a year from the original target date of March 2013. It was agreed to request that the person responsible for overseeing the Plan should be asked to attend the next meeting to explain the reasons for the delay in producing the Plan. 		
	<ul style="list-style-type: none"> Page 4 – There was a request for details of the Safeguarding Children's Board structure. On page 6 one Member highlighted that Cambridgeshire Future Transport had not met for nearly a year and asked for clarification outside of the meeting of its current status and who was responsible and when it would next meet. On the same page against the above risk in relation to mitigation 14 'Multi-Agency Improvement Board supports and monitors Children's Safeguarding improvement' there was a request for more explanation on how it was intended to avoid duplication of the work undertaken by districts. The Risk Manager undertook to obtain more information from the lead officer. 	<p>John Davies</p> <p>JD</p>	<p>Provided in an e-mail.</p> <p>The Risk Register entry in question is "Multi agency Improvement Board supports and monitors Children's Safeguarding improvement".</p> <p>Response from CFA – 'The Improvement Board is a county function and hence there is no related activity happening at district level. Districts are represented on the multi-agency Local Safeguarding Children Board (LSCB), and a report from the Improvement Board is considered by the LSCB each times it meets, so the districts are informed about progress.</p> <p>The membership of the Improvement Board includes the Chair of the Cambridgeshire LSCB.</p>

17.	MINUTE 61 DRAFT ANNUAL GOVERNANCE STATEMENT 2013/14		
	Officers highlighted that there was still a need to insert a web link into the document which would be included in the final version of the document to be agreed by the Committee in September.	John Davies	Will be included in September Report.
	There was a request which the Committee agreed, that in relation to the Internal Audit Annual Report, due to come forward to the July meeting, that in future years it should be presented to the June meeting (2015 onwards).	Rob Sanderson to update Forward Plan	Action Completed
	Attention was drawn to the last line of the bullet on the right hand side of page 5 which stated that “Under the committee system of governance, a separate scrutiny function is no longer necessary as decisions are being made by cross party committees” to check that the Committee was comfortable with the wording. It was considered that at the current time it was too early to judge, as the Committee system had only been introduced the previous month. It was suggested that officers should review whether additional cautionary wording should be added and to consider whether it required further review in September.	JD	Being reviewed
18.	MINUTE 62 INTEGRATED AND RESOURCES AND PERFORMANCE REPORT FOR PERIOD ENDING 31ST MARCH 2014 INCLUDING THE DETAILS OF THE ACTION TAKEN ON THE REPORT BY THE GENERAL PURPOSES COMMITTEE		
	The actions requested have been included in the appendix, which was included in an email to members dated 24th June,		

- 1) Request for further update to July Committee on shortfall on Education Capital Resources and what action that was being taken
Action Chris Malyon / Ian Trafford

Response

No further indications had been received from the DfE on whether additional Basic Needs funding would be made available to the Council for the 2015/16 and 16/17 financial years. The matter has also been highlighted in a Business Planning update report that is being considered by all service committees, including General Purposes Committee, within the July cycle of meetings. A detailed update and options report will be going to the Children and Young Peoples Committee in September in line with the Council Budget Plan timetable. It couldn't go to the July meeting as the options need to be considered alongside the entirety of the capital programme.

From Integrated Resources and Performance Report for period ended 31st March.

- 2) Page 6 Special Educational Needs Placement – highlighting text on the significant pressures as special schools who were at capacity requiring more out of county expensive placements. The Committee sought advice on whether it was planned to increase In-County provision **Action: Chris Yates to find out**

Response

There are number of areas where CFA are looking at increasing in-county SEN provision, including commissioning additional places at existing Special Schools, and longer term the building of new area Special Schools to support the ever increasing need. The provision of three additional Special Schools was agreed at the June 2013 Cabinet meeting.

- 3) Page 6-7 Suggested that in relation to the text stating that “there were no new exceptions to report” as this was repeated several times to consider looking at streamlining the reporting to avoid duplication and save paper. **Chris Malyon / Phil Emmett to clarify**

Response

The structure of the report means that each Service has its own section for exceptions to be reported within. Where there are no new exceptions to report in a particular month the standard text is included to make it clear that there aren't any new exceptions to report. We could remove this text or even remove the Service's section from the report in the months where there aren't any new exceptions, but suspect this could also be challenged as it would appear we have 'missed' a particular Service. I would, however, question how much paper would be saved by removing this one line of text where applicable (maximum of 7 lines in total for section 3.2).

- 4) Page 8 Para 4.1 on Performance Indicators regarding number of people starting apprenticeships the year shown was 2012/13 academic year was this correct and also whether this performance indicator was to be rolled forward to 2013/14 academic year
Action: Phil Emmett to clarify

Response

To confirm 2012/13 is the correct academic year. 2013/14's data will be available once the academic year has finished.

- 5) Page 13 Table under 5.1 explanation sought to explain difference between to Forecast Variance Outturn March Column and the final right hand column reading 'Total Scheme Forecast variance (March)' **Chris Yates to provide explanation to be forwarded on to Committee.**

Response

The Forecast Variance - Outturn (Mar) is the total overall in year (13-14) position of schemes relative to expectation. An underspend of -£60m generally reflects scheme slippage (i.e. project delays etc). Total Scheme Forecast variance (Mar) reflects the total overall position of all capital schemes across all years (i.e. gives the true position of the capital programme i.e. eliminates the impact of slippage).

- 6) Page 13 Graph at bottom of page - officers to consider including figures next to bar charts on it as this would be far more useful than current graphical representation– **Phil Emmett**

Response

Figures have been inserted to the graph from May 14's IR&PR.

- 7) Bottom Page 15 Kings Hedges Primary overspend - Hardwick second campus increased costs due to faster design phase works - question raised on whether lessons could be learnt from this - **Phil Emmett to seek views from service** - the planning process for the capital programmes is continually being developed with contingencies built into each schemes. Lessons are learnt from past schemes and plans are adapted where necessary to account for developments that could arise in the future.

- 8) Page 17 DfT Grant whether £2M not spend would be lost or rolled forward - **Phil Emmett to clarify**

Response

It has been confirmed that this would be rolled forward in line with the grant conditions.

- 9) Page 23 bottom of page - Waste Disposal Issues - whether the outcome of negotiations with Amey Cespa regarding resolution on the increased Landfill charges the County Council had incurred would be reported back to GP Committee or to another Forum? **Phil Emmett to clarify**

Response

Waste falls under the Highways and Community (H&CI Infrastructure Committee. Any financial implications of the issues reported in the March 2014 report that impact on 2014-15, and indeed any other issues that may arise in 2014-15, will be reported to H&CI Committee as part of the on-going Finance and Performance reporting process. Further, if to a magnitude appropriate for the General Purposes Committee then to that Committee also.

- 10) Page 29 Connecting Cambridgeshire – explanation sought on the re-phasing of work on the programme which appeared to have resulted in a delay in the first milestone payment originally expected to occur in December 2013, but which now had been delayed until March 2014

Response

It has been clarified that the programme has not been re-phased, all milestones have delivered exactly to time – it was the BT **payment claim** that was delayed due to administrative holdups on their side.