

**AUDIT AND ACCOUNTS
COMMITTEE**
Minutes-Action Log

**Cambridgeshire
County Council**
Introduction:

This log captures the actions arising from the January Audit and Accounts Committee and updates members on the progress on compliance in delivering the necessary actions (outstanding actions from previous meetings are also included). This is the updated action log as at 13th March 2020.

MINUTES 28TH JANUARY 2020

ITEM NO.	MINUTE NUMBER / REPORT TITLE / AGENDA PAGE NUMBER	ACTION TO BE TAKEN BY	ACTION (INCLUDING WHERE RELEVANT PAGE NUMBER)	COMMENTS	COMPLETED
1.	MINUTE 239 MINUTES OF THE 28 TH NOVEMBER MEETING	Chris Malyon Chief Finance Officer	Page 17 Minute 235 Internal Audit Progress Report Section 4 – Cost Recovery in Place and Economy – reference to the Chairman not having been billed for Highways works - The Chairman highlighted that having stated this two months ago and been assured by a finance officer that it was only a temporary issue, he still not received an invoice.	<p>This was resolved following the meeting and the Chairman confirmed receipt.</p> <p>As a result of the concerns raised, The Chief Finance Officer has agreed with the Head of Internal Audit to include the approach to processing of claims against works in next year's Audit Plan work programme.</p>	ACTION COMPLETED

2.	MINUTE 240 MINUTE ACTION LOG A) Registration of land purchased for Highways purposes	Democratic Services Rob Sanderson	<p>On the action for Councillor French to be sent the separate confidential appendix for sites in the Fenland area, As an update at the January Committee meeting Councillor French indicated she had still not received them. In reply the Democratic Services officer stated he had been copied into the e-mail sent to her and would arrange for them to be sent again electronically or provide hard copies in her pigeon hole.</p>	<p>Following a further check an e-mail resending the information was undertaken two days after the meeting (30yh January) and at the same time a hard copy of the information was placed in Councillor French's pigeon hole. The email sent was acknowledged the same day by Councillor French.</p>	ACTION COMPLETED
	B) Safer Recruitment in Schools Update	Rob Sanderson pass on request to Chris Meddle.	<p>The Chairman drew attention to a recent incident that had made the national headlines regarding a pupil at a school who had died as a result of suffering an extreme allergic reaction to having cheese thrown at him. He asked that Chris Meddle the Council's Senior Leadership Advisor be contacted regarding ensuring the appropriate checks on EPI allergy pens being available in Cambridgeshire schools were being undertaken.</p>	<p>An e-mail was sent to Chris Meddle the following day. As there was some confusion of whether this had happened at a school in the County it was followed up by a phone call from the Chairman to Chris. He explained that he did not think it was a school in Cambridgeshire, but was seeking to ensure that the schools inspection check list included checking that EPI allergy pens were available in Cambridgeshire schools should such an incident take place. This was confirmed.</p>	ACTION COMPLETED

	C) Page 27 Minute 233 Performance Report – a) report format	Councillor Shellens / Tom Barden Head of Business Intelligence	The Chairman undertook to meet with the report author and suggest changes following the meeting.	At the January Committee the Chairman indicated orally meeting that he not yet had the meeting and would arrange a meeting with the Head of Business Intelligence following the meeting. The meeting took place on 3rd March.	ACTION COMPLETED
	D) Page 28 - Minute 233 Performance Report b) Indicator reading the number of children in care	Tom Barden	Councillor Crawford to provide details to the Head of Business Intelligence of a study suggesting a link to closures of children's and family centres	A full response was sent to Councillor Crawford on 12th March which is included at appendix 1 In addition on the same day the Committee also received details of the response in an email with other actions responded to from the Head of Business Intelligence.	ACTION COMPLETED

	E) Page 30 – Item 6 Minute 235 - Internal Audit Progress Report	Neil Hunter Head of Internal Audit	<p>There was a the query from the Chairman on whether the advice regarding the risk of bank mandate fraud had been passed on to both maintained and academy schools in the County</p> <p>The response provided in the January Minute action log from Internal Audit was that the request had been passed on to the Schools Intervention Service. As this response did not answer the original question raised, the Chairman asked the Head of Internal Audit to provide further information regarding the officer who had been contacted so he could make his own enquiries</p>	<p>A Schools newsletter which goes to all Maintained and academy schools was sent out in early March which included an article titled ‘Fraud Guidance to Academy School – Audit Committee request’. The text is included as Appendix 2 to this action log.</p>	ACTION COMPLETED
3.	MINUTE 243. BREXIT PREPARATION UPDATE - Hard to Reach Groups	Stewart Thomas Head of Emergency Planning.	Regarding communications on the Settlement Scheme, the emphasis was now on targeting hard to reach groups. The Chairman asked to be provided with an estimate of the number of people this might represent.	This action is still ongoing at the time of publication as this is a difficult statistic to estimate	ACTION ONGOING
4.	MINUTE 244. PERFORMANCE REPORT QUARTER 2				

	a) Page 51 Indicator 20 2C(2) titled 'Average Monthly number of bed day delays (social care attributable) PER 10,000 18+population'	Tom Barden Head of Business Intelligence	The Chairman drew attention to the spike from August and the reasons provided in the narrative. He requested further details of why the performance had significantly decreased in the 2019 spring period. The officer to check the information and the Council's performance with statistical neighbours during this period.	This was provided in an e-mail to the Committee from Democratic Services on 12th March extracts of which are included as appendix 3	ACTION COMPLETED
	b) Page 65 Indicator 34 titled 'The average journey time per mile during the morning peak on the most congested route'	Tom Barden Head of Business Intelligence	A member queried the usefulness of an indicator that was two years old referencing a target for 2017-18 to reduce it to 4 minutes per mile. There was a request that the Committee should be provided with an update on this indicator outside of the meeting.	This performance indicator has been updated and a revised version was submitted to the 5th March Economy and Environment Committee. The revised indicator was provided to the Committee in the email referred to in a) above	ACTION COMPLETED
5.	MINUTE 245. STATEMENT OF ACCOUNTS – ACTION / IMPROVEMENT PLAN		As the 31 st July was not a statutory external audit deadline for producing their ISA 260 Report EY would need to agree a timeframe with Finance Officers for a meeting for sign off of the Accounts but. Finance Officers would liaise with Democratic Services regarding whether there required to be date changes to meetings e.g. currently the agreed July 2020 meeting date was for the final Accounts sign off but the suggestion now was that a meeting would be required in October.	Friday the 30th October has provisionally been booked for an additional Audit and Accounts Committee. This date is suggested to be confirmed with a start time of 10.30 a.m. Both Finance and External Audit are able to attend.	Decision required at the meeting

6.	MINUTE 246. INTERNAL AUDIT PROGRESS REPORT				
	a) Internal Audit Plan Table	Neil Hunter Head of Internal Audit	The Chairman requested for future reports the status column indicating if an Audit was not opened, open or closed should not use different colour shading as they did not reproduce well in black and white printed versions of the agenda.	The shading has been removed. See the report on the latest agenda.	ACTION COMPLETED
	b) Summaries of Completed Audits with satisfactory or less assurance –				
	i) Fire Safety Checks – assurance that assessments had been completed in all building	Neil Hunter Head of Internal Audit to liaise with Phil Hill	Request that an updated position be given in the next Internal Audit report for the March meeting in terms of Fire Risk Assessments (FRA's) coverage in all Council buildings as if the recommendations target date had been implemented, this should have occurred in December.	March update: the Interim Head of Property has confirmed a full list of properties is now in place. The Compliance Manager has reviewed this and ascertained which properties require FRAs to be undertaken, with the exception of 20 where additional information is required from Estates to make a determination.	ACTION COMPLETED

	ii) Fire Safety Checks – justification of why a fire risk property was being used for storage	Neil Hunter Head of Internal Audit	Last paragraph, making reference to Internal Audit identifying that “a property which had been authorised for closure and deemed only suitable for storage was still being used extensively by employees for meetings” the Chairman requested a reply of why it was deemed suitable for storage if it was a fire risk?	March update: Stanton Villas was deemed unsuitable for normal business occupation because of minor issues in relation to fire safety. However, the risk assessment changes depending on the how the building is being used. The Fire Risk Advisor assessed it as suitable for storage only and not general occupancy.	ACTION COMPLETED
	iii) Rental Income	Neil Hunter Head of Internal Audit / Tom Kelly	It was highlighted that regarding uncollected rental income, LGSS Law were one of those identified as not having paid all the rental owing for their occupation in Scott House. It was agreed that LGSS Law should be invited to the next meeting to explain the reasons.	Due to business sensitivity issues on 8 th March the Chairman and Vice Chairman were sent a confidential update detailing the LGSS Law financial position and the turnaround to profit that had been achieved over the last year. This also confirmed that LGSS Law had now made progress and paid rental owed at Scott House relating to the current year and therefore there was no longer a requirement to attend the current meeting.	ACTION COMPLETED

	iv) Business Continuity	Neil Hunter Head of Internal Audit /	With reference to the last sentence of the second paragraph reading: 'The review also identified a lack of senior management oversight of business continuity planning, information not available to all staff on the intranet, and the absence of a formally documented IT Disaster Recovery Plan' the Chairman made clear that he would be expecting an update on progress in the March Internal Audit report with any specific issues highlighted.	<p>March update: Work is progressing to review and prioritise services in relation business continuity criticality with the new ratings to be presented to Joint Management Team (JMT) for senior management engagement, once complete. A change freeze on Camweb has prevented uploading the latest information onto the platform.</p> <p>The Head of IT has confirmed that there is a documented disaster recovery plan in place. This is currently being reviewed and will need to be further developed over the coming months as new technology is introduced to provide more efficient disaster recovery responses and to reflect the data centre move.</p>	ACTION COMPLETED
	C) Annex B page 102 Summary of outstanding recommendations under three months				

	Page 102 - Fostering Contract Management 18/19 Double Paying for home-to-school transport	Neil Hunter Head of Internal Audit /	With reference to the last paragraph reading 'There are a number of transport journeys being requested after initial assessment from the ART Team, ART have been unaware particularly where Children are out of the County' which as written was suggesting that the Council was paying carers for home to school transport when the children were out of the County. As this could be potentially fraudulent, Officers were asked to look at whether these cases were reported to the police?	<p>A response was sent to Councillor Williams on 14th February that clarified the issue had arisen from an audit of this area and at the time the auditor was satisfied that there wasn't evidence of fraud, rather it was poor control.</p> <p>The recommendations made sought to tighten controls and address this issue.</p> <p>As part of Internal Audit's normal processes they will be following up the implementation of the recommendations and highlight any non-implementation to the Committee.</p>	ACTION COMPLETED
7.	MINUTE 247. INTEGRATED FINANCE MONITORING REPORT FOR THE PERIOD ENDING 30TH NOVEMBER 2019				
	For 7A), B) and C) overleaf, the information set out in the comments responses column was provided in an e-mail to the Committee dated 8th March 2020.				

	A) Page 124 Older people aged 65+ receiving long term services and Adults aged 18+receiving long term services	Ellie Tod / Tom Kelly	As these were showing continued increases, the Vice Chairman asked what contingency for these increase had been built into the budget for next year. He requested that this information was provided to him before the full Council meeting on 11 th February.	The 2020-25 Business Plan includes £21.4m extra spending over the quinquennium (a specified period of five years) to reflect the financial pressures arising from supporting growing numbers of older people (A/R.3.006), of which £3.475m relates to the 2020-21 financial year as we expect clients supported to increase by 2.7%. There is a further £2.55m in demographic funding allocated to other client groups/age categories of adult social care in 2020-21.	
				These pressures and allocations continue to be closely monitored, Older People's demand is currently rising faster than planned/expected. In addition, the General Purposes Committee is holding a £2.6m fund in 2020-21 to respond to social care capacity issues.	ACTION COMPLETED

	B) Page 128 3.2.2 People and communities – Central Commissioning adults	Ellie Tod/ Tom Kelly	With regard to the line reading “ The Council has needed to support a number of packages at an enhanced rate this year due to the large scale failure of a major provider of homecare in the last quarter of 2018” there was a request for the name of the provider.	The provider involved is Midas.	ACTION COMPLETED
	C) Balance sheet para 6.2 page 139	Tom Kelly	There was a request that the table should also include the previous March figure before the first April figure, as if there was a change, the Committee would not know what it was.	The split provided in this graph of borrowing has only begun this financial year, so a meaningful comparative figure from March 2019 is not available. The similar graph at 6.3 does include three years’ worth of trend data which provides the equivalent comparative. Going forward, the table will also plot multiple years on the graph at 6.2, or include at least the March figures in the annual line to address the point raised by the Committee.	ACTION WILL BE UNDER-TAKEN AS EXPLAINED
MINUTES 28TH November 2019					
8.	MINUTE 229. - SAFER RECRUITMENT IN SCHOOLS UPDATE	Chris Meddle Senior Leadership Advisor to arrange	It was agreed that safeguarding around pre-schools nurseries would be a good area for the Committee to review.	This is included as a separate report on the current agenda.	ACTION ONGOING
9.	MINUTE 233 PERFORMANCE REPORT – QUARTER 1 2019-20				

	a) Report format	Councillor Shellens	The Chairman indicated that he would provide some comments (on the report format / information) to the lead officer outside of the meeting.	<p>An oral update was provided at the January meeting that this was at that time still an outstanding action. The Chairman indicated that he would arrange to meet up with Tom Barden to discuss further.</p> <p>As set out in 2c) this action was completed on 3rd March following a meeting between the Chairman and Tom Barden</p>	ACTION COMPLETED
	b) Page 79 Indicator reading 'The number of children in care' with the direction of improvement showing as a down red arrow	Councillor Crawford to pass on the details of the survey to Tom Barden.	A Member expressed concern at this, referencing a study she had seen from foster carers agencies suggesting a link to closures of children's and family centres and asked whether more data could be given on this and whether it was a contributory factor. The officer was happy to look at the research paper to see if lessons could be learnt. The Member to pass the officer details.	<p>An oral update was provided at the 20th January meeting indicating that the information had been passed to the officer the day before the meeting and therefore required time to assess its detail and provide a response. The response is now included at Appendix 1.</p>	ACTION COMPLETED

10.	MINUTE 235. INTERNAL AUDIT PROGRESS REPORT				
	Section 2 – fraud and corruption update.	Audit and Risk Manager to liaise with the Schools Intervention Service	In answer to a question raised regarding the suspected bank mandate fraud at a school, it was clarified that schools had been given advice regarding the risk in this area. The Chairman suggested that if the advice was only being given to maintained schools it should also be provided to all academy schools in the County.	<p>It was reported to the January Committee meeting that the request had been passed on by Internal Audit to the Schools Intervention Service.</p> <p>The Chairman was not content that the action requested had been completed and requested contact details of the officer in the Schools Intervention Service.</p> <p>A Schools newsletter which goes to all Maintained and academy schools was sent out in early March which included an article titled 'Fraud Guidance to Academy School – Audit Committee request'. The text is included as Appendix 1 to this action log.</p>	ORIGINAL ACTION REQUEST NOW COMPLETED

MINUTES 24TH SEPTEMBER 2019

ITEM NO.	MINUTE NUMBER / REPORT TITLE / AGENDA PAGE NUMBER	ACTION TO BE TAKEN BY	ACTION (INCLUDING WHERE RELEVANT PAGE NUMBER)	COMMENTS	COMPLETED
11.	MINUTE 217. COMMUNITY TRANSPORT ACTION PLAN UPDATE				
	Reclamation of Public Funding	Chief Internal Auditor / Chief Finance Officer	Request for a provisional target date.	As an update to the Chairman on 3 rd March it was indicated that negotiations were still ongoing and therefore no date could currently be given on when the report might be produced.	Ongoing

Dear Cllr Crawford

Thank you for your email on the report you mentioned at Audit and Accounts.

I think the report you referred to was 'Cutting away at our children's futures: How austerity is affecting the health of children, young people and families' by the British Medical Association in 2016, <https://www.bma.org.uk/collective-voice/policy-and-research/public-and-population-health/child-health/cutting-away-at-our-childrens-future>. I've had a chance to review it.

I was looking for whether there were lessons about ways to analyse the impact on children in care numbers of changes to Sure Start / Children's Centres. Unfortunately, the BMA report does not offer evidence for a causal link between the reductions in funding for children's centres and an increase in children in care.

I looked locally at evidence from our children in care numbers to see if there was anything to learn.

Local evidence suggests that the number of children in care had been increasing for 4 years prior to the change to Child and Family Centres in April 2018. However since August 2019, the number of children in care has been falling (and the annual growth rate has been decreasing since Jan 2017 as shown by the table below).

This suggests there is not a direct causal link observed between changes to Child and Family Centres and the number of children in care, because it had been increasing before changes were made in April 2018, the rate of growth slowed before changes were made, and then the numbers started decreasing approx. 14 months after changes were made. As we acknowledged in the meeting, there are a wide range of factors that could influence changes in numbers of children in care.

	Growth over previous 12 months
Jan-13	-2.29%
Jan-14	4.03%
Jan-15	10.62%
Jan-16	13.54%
Jan-17	10.19%
Jan-18	9.46%
Jan-19	8.68%
Jan-20	-1.58%

I'm happy to discuss further if you wish.

Tom Barden Head of Business Intelligence

Fraud Guidance to Academy School - Audit Committee request

Bank account details

Please be alert to the ever increasing risk of 'bank mandate fraud'. If you receive a letter, email or phone call claiming to be from a supplier, or someone you are due to make a payment to, telling you that they have recently changed their bank account... be sure to always verify this before you change any account details on your records. It could be a fraudster trying to get their hands on future payments. Get in touch with a known contact at the company (use contact details you already held or those on the genuine website) and ask them to confirm whether the request is legitimate.

The requests can look very convincing and often come from email addresses that look similar to those of the actual company. The fraudsters know how busy you are and are very happy to take advantage of that, hoping you might not do the necessary checks.

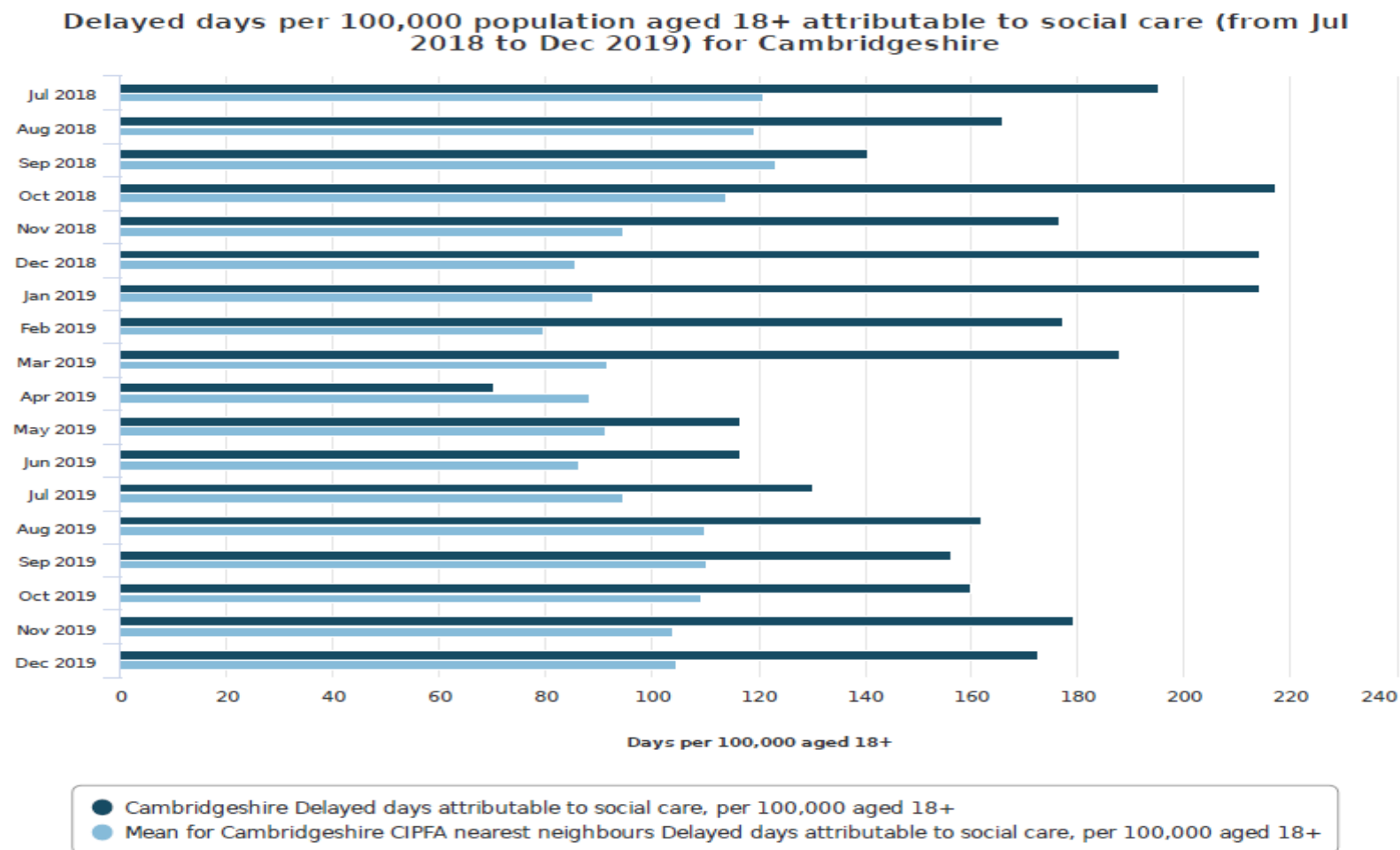
If you are due to be making a large one-off payment via BACS, again, always verify any details that have been provided via email – as unfortunately emails can be easily intercepted by fraudsters. It's best to take a moment to pick up the phone and confirm the details, for peace of mind, before releasing any money.

We have witnessed councils around the country losing millions of pounds to these fraudsters. Schools are now their latest targets—don't be the next victim!

If you'd like any advice or further information, please don't hesitate to contact Rachel Ashley-Caunt, Head of Internal Audit & Counter Fraud on Rachel.ashley-caunt@cambridgeshire.gov.uk

APPENDIX 3

Performance in Spring 2019 improved (there were fewer days lost to delayed transfers of care per 100,000) as shown by the sudden drop on the chart in the performance report. This change is also visible in the difference in CCC performance comparing March 2019 to April 2019 shown in the chart below (the source for the chart is LG Inform).



Source:
NHS England