

Community Transport Action Plan Log

Update for Audit & Accounts Committee - As At 22nd October 2018 (Committee Reporting Deadline)

* Action Log: Page, item no, Action section, item
Minute16/08/2018: Page, Para

Onus	Issue	Source*	Progress	Document Cross-Reference	Notes	Next Action	By	Due
1	FH&E FH&E Trustee/Board to provide a written undertaking that future submissions to public bodies shall be accurate.	AL 1.1.2.1	Complete	3.1 (Grant Agreement) 28.1 (Written Undertaking)	FH&E Executive Committee have confirmed a written undertaking regarding the implementation of reforms. The Grant Agreement with FH&E includes a warranty that information disclosed to the Council will be true and accurate (see Section 20(g))			
2	CCC CCC Chief Executive to consider appropriate actions for providing training and/or guidance to Members on their roles with outside bodies, including the need for any organisation-specific guidance.	M 6.4 M 4.8	Complete	4.1 (Report) 4.2 (Guidance)	Guidance produced & sent to C&E Cttee Meeting 27th September. Committee agreed to instruct officers to carry out a fundamental review of appointments to all outside bodies and the way there are categorised to sit alongside the guidance. The result of the review will to be brought back to Constitution and Ethics Committee.	Report to November C&E Cttee.	MO	Nov-18
3	FH&E FH&E must provide confirmation that CCC has rights of access to verify data on memberships, eligibility checks, demand and income.	AL 5 19.2	Complete	19.1 (Written Undertaking)	FH&E have provided a written undertaking confirming rights of access. Internal Audit has accessed FH&E data and systems to verify implementation of the governance review actions.			
4	FH&E FH&E Trustee/Board to confirm to Chief Executive of CCC the action that has been taken in respect of the staffing implications of PKF's findings.	AL 1.1.1.1	Complete	15.3 (New Organisation Structure)	The former manager of FACT, HACT & ESACT has resigned, and a new organisational structure has been put in place, including a Head of Finance and Funding and a Head of Operations.			
5	FH&E FH&E to reconsider composition of Board, to ensure it is capable of fulfilling stewardship requirements in future.	M 5.7 M 16.5	In Progress	27.1 (Status Update) 14.1 (Note from Jill Tuck) 14.2 (Exec. Committee Structure) 14.3 (Exec Committee remit) 14.4 (F&GP Committee remit)	A new Finance & General Purposes Committee has been created at FH&E, and a new Audit Committee for FH&E is expected to be created at Board sign-off on 15th October 2018. There is further work needed to identify an appropriate Chair for the new Committee, which CCC is supporting. CCC Chief Executive and s151 will meet with the FH&E Trustees to discuss further.			
6	CCC The Community Transport Officer's role in attending FH&E Board meetings (as an observer or as a member, and whether as a part of CCC job role) to be clarified.	M 13.2 M 4.8	Complete	3.1 (Grant Agreement) 7.1 (Job Description)	Grant Agreement clarifies role as independent observer and advisor. Mention of attendance added to job description to clarify that this is a formal part of the CCC officer's role. Also links to grant monitoring process.			
7	CCC CCC to take legal advice on licensing and Section 19 & 22 issues, to ensure procedures are amended to assist in ensuring that organisations to which it issued transport grants and contracts were compliant both with such grant and contract agreements, and relevant legislation.	M 11.5	Complete	12.3 (Legal Advice)	Legal advice obtained. The new FH&E organisational structure reflects a clear distinction between commercial operations and s19/22 activities. Next steps captured at Action 58, below.			
8	CCC Cambridgeshire County Council to clarify any position(s) to be held by officers/Members at FH&E.		Complete	3.1 (Grant Agreement) 7.1 (Job Description)	Grant Agreement clarifies officer role as independent observer and advisor; mention of attendance added to job description to clarify that this is a formal part of the CCC officer's role, and also links to grant monitoring process. Member role - picked up by Action 2, above.			

9	CCC	The Chief Executive, Deputy Monitoring Office, and Chief Internal Auditor will consider information and evidence provided by FH&E, and judge whether they pass the criteria for a 'fit and proper' person to contract with.	M 4.5 M 6.6	Awaiting evidence	27.1 (Status Update)	Internal Audit conducting final verification of implementation of FH&E Governance Action Plan. Expected completion by 15th October (next FH&E Board meeting). Awaiting evidence of minutes to confirm implementation. Chief Internal Auditor will provide update to Audit & Accounts Committee on this matter.			
10	CCC	A new Grant Monitoring Framework has been developed for Community Transport and the Chief Internal Auditor has confirmed he reviewed the document and is satisfied.	AL 1.3.1 M 10.2	Complete	6.1 (SLA Checklist) 6.2 (Finance & Perf. Checklist) 6.3 (Scheduling)	Monitoring has been split into two checklists and a schedule is being developed to ensure checks are done on a rolling basis (final detail to be added once grants are awarded). Finance will support the Transport service in carrying out checks.			
11	CCC	CCC Dial-A-Ride Grant conditions to include requirement for separate bank accounts for commercial and community transport activity.	AL 3.13.2	Complete	3.1 (Grant Agreement)	N/A			
12	CCC	CCC Dial-A-Ride Grant conditions to include requirement that there is no cross-subsidisation of grant monies to commercial activity.	AL 3.13.1	Complete	3.1 (Grant Agreement)	The new company structure and separate bank accounts also provide a formal structure for FH&E to achieve this requirement.			
13	CCC	CCC Dial-A-Ride Grant conditions to include requirement for spot checks of operators. This will include testing that Dial-A-Ride members meet eligibility criteria.	AL 9 43.2.2	Complete	3.1 (Grant Agreement) 6.1 (SLA Checklist) 6.2 (Finance & Perf. Checklist) 6.3 (Scheduling)	This requirement is included in the grant agreement and the checklists for spot checks at operators include the testing regarding eligibility checks.			
14	FH&E	FH&E to provide assurance that commercial activities will be accounted for separately, inter-company transactions will be clearly recorded, and Council funding applied for the purposes intended..	AL 3.13.2	Complete	27.1 (Status Update) 15.1 (Bank Accts & Structure)	Internal Audit has verified separate bank accounts exist, and that commercial activities are required to be accounted for separately. The Council's new Grant Monitoring Framework and spot checks include testing that funds have not been misallocated.			
15	CCC	CCC guidance on grant awards to include requirement that multiple quotations are received for any application for capital grants. (also see 25, below)	AL 7 32.2	Complete	1.1 (Policy) 1.2 (CamWeb post)	Included in the new Grants to External Organisations Policy (see section 6.2)			
16	FH&E	FH&E must have systems in place to enable reporting on membership, eligibility checks, demand and income.	AL 5 19.1	Awaiting evidence	27.1 (Status Update) 18.1 (Membership database headings)	Expected completion by Board sign-off on 15th October 2018. Awaiting evidence of minutes to confirm implementation.			
17	FH&E	FH&E should provide schedules regarding fleet maintained and used for publically-funded services, upon request.	AL 5 21	Complete	27.1 (Status Update) 16.1 (FACT Fixed Assets) 16.2 (HACT Fixed Assets) 16.3 (ESACT Fixed Assets) 16.4 (Safety Inspection Template)	Verified as completed by Internal Audit as at 23rd August 2018.			
18	CCC	Introduce a process for open and competitive award of grants for community transport, including approval of any grants awarded by Committee.	AL 2.11.1	Complete	10.1 (Committee Report)	Open, competitive award process reported to E&E Committee with details of evaluation scoring, for their final approval on 11th October 2018. The Committee approved the award.			

19	CCC	All FH&E contracts to be retendered.	AL 7.33.2	In Progress	21.1 (Home to School Mainstream Contracts) 21.2 (Home to School Mainstream Contracts) 21.3 (Home to School SEN Contracts) 21.4 (Ad Hoc Day Centre Contracts) 25.1 (Local Bus Contracts) 25.2 - 6 (Local Bus Awards) 26.1 - 2 (Day Centre Contracts)	Day centre contracts re-tendered and awarded April 2018. Home to School contracts re-tendered and awarded July 2018. Ad Hoc Day Centre contracts terminated August 2018 for re-tender. Local Bus service contracts re-tendered and awarded 4th October 2018. Review of these documents has identified a concern with the quality of some of this contractual documentation, which needs to be resolved.			
20	CCC	The Transport team will develop proper procedures for the awarding of emergency contracts and/or dealing with business continuity issues.	AL 7.33.2 M 11.1	Complete	2.1 (Continuity Plan)	N.B. the Plan is specific to the Transport service - more detail on e.g. emergency arrangements for Shire Hall based staff is available in other plans.			
21	CCC	CCC Dial-A-Ride Grant conditions to include requirement for providers to have business continuity plans.	M 11.3	Complete	3.1 (Grant Agreement)	See Schedule 1 of the Grant Agreement.			
22	CCC	Grant Monitoring Framework to include checking of separate bank accounts to ensure that no cross-subsidisation has taken place.	AL 3.13.1	Complete	6.2 (Finance Checklist)	N/A			
23	CCC	Spot checks of community transport operators in receipt of grant monies to be instituted. (also see 26)	M 8.6 AL 1.11.3	Complete	6.1 (SLA Checklist) 6.2 (Finance & Perf. Checklist) 6.3 (Scheduling)	The monitoring framework as developed includes spot checks and these will be incorporated within annual scheduling by the service.			
24	CCC	The Council must consider how to ensure that it does not continue to confer advantage on FH&E because of past actions, and take action to ensure this is not the case.	M 11.2	In Progress	TBC	PKF have produced a draft report looking at calculating any competitive advantage conferred on FH&E through previous grant awards. The next step will be for management to review this.			
25	CCC	Council-wide guidance to be issued to staff regarding issuing grants to charities and other voluntary organisations. (also see 15, above)	AL 1.3.2 M 4.1	Complete	1.1 (Policy) 1.2 (CamWeb post)	N/A	Internal Audit to review implementation via Grants to Voluntary Organisations audit in later 2018/19.	IA	Mar-19
26	CCC	Confirm all loans to FH&E have been repaid, with interest.	M 8.6 AL 4.17.1	Complete	8.1 (Loans Records)	N/A			
27	CCC	Confirm loan repayment due on 30/8 has been made.	M 8.6	Complete	8.1 (Loans Records)	Repaid on 27th September 2018.			
28	CCC	Confirm how we have assurance that all loans are logged and repaid.	M 9.2	Complete	8.1 (Loans Records)	N/A			
29	CCC	Confirm Citroen loaned to FH&E has been returned.	M 8.6	Complete	8.2 (Vehicle Condition Report)	N/A			
30	CCC	Any money to be reclaimed in respect of State Aid or otherwise would be so. (also see 24)	M 10.3 AL 5.18.1.4	In Progress	TBC	PKF have produced a draft report looking at calculating any competitive advantage conferred on FH&E through previous grant awards. The next step will be for management to review this.			
31	CCC	Annual review of outcomes and benefits from the grant awards will be reported to E & E Committee.	M 8.6	In Progress	TBC	This is planned as part of the new grant framework but the first report will not take place until a year after the first grant award, which has not yet occurred.			

32	CCC	Refresh issuing and monitoring of contracts and agreements.	M 9.9	Complete	23.1 (Contract Filing Action Plan)	Grant agreements are covered by the new Grant Monitoring Agreement & Grants Policy (see actions 10 and 11 etc.) A review of contracting and filing processes has been undertaken in the Social & Education Transport Team, as Internal Audit had identified that low-value Education and Day Centre contracts accounted for most of the issues in obtaining evidence of issuing and monitoring contracts. The review has been completed and identified a backlog of contracts, which is being addressed. The new resource in the team will help to ensure this is done.	Internal Audit to review issuing and monitoring of contracts and agreements via the Transport Contracts audit to take place later in 2018/19 (Grants to be covered by separate audit review, see action 25).	IA	Nov-18
33	CCC	Obtain confirmation that issues arising from officer conduct have been resolved.	M 7.7	Complete	29.1 (Written confirmation)	The Chief Executive commissioned a confidential investigation report into the concerns around officer conduct, which has been completed. Findings have been actioned, as confirmed by the LGSS Director of HR.			
34	CCC	A & A to receive action implementation reports and provide robust review.	M 3.1	Ongoing	N/A	Working Party formed.	Prepare reports	IA	Sep-18
35	CCC	Chief Internal Auditor to obtain advice from the Monitoring Officer regarding the need for Members to declare non-pecuniary interests.	AL 11 50.2	Complete	4.2 (Guidance)	Advice is captured in guidance produced by Legal.			
36	CCC	Deputy Monitoring Officer to report to Constitution & Ethics Cttee on the Member role on Outside Bodies.	M 13.3	Complete	4.1 (Report) 4.2 (Guidance)	To C&E Cttee Meeting 27th September.	Report back to C&E Cttee in November and then approval by Full Council in December.	MO	Dec-18
37	CCC	The report on the Member role on Outside Bodies to be shared with District Councils.	M 13.7	In Progress	4.1 (Report) 4.2 (Guidance)	Awaiting final agreement by Full Council - expected in December.			
38	CCC	Additional staff to be employed to enforce the grant conditions, by end Nov at the latest.	M 3.1 M 4.1	Complete	20.1 (Note from Assistant Director)	The service has recently appointed a temporary Business Support Assistant and interviewed for a permanent position. The intention is that the additional resource will not exclusively work on grant monitoring, but also undertake work on contracts. This will then free up more time in the team to undertake grant monitoring work. Additional resource to support financial monitoring has also been provided by Finance.			
39	CCC	Traffic Commissioner to be made aware of any potential breaches of licensing requirements (e.g. if significant amounts of money had to be repaid to the Council which could impact financial requirements for an O License).	AL 12.55.2.1	Complete	N/A	The new arrangements at FH&E bring the organisation in line with licensing requirements, as the commercial and non-commercial arms of the organisations have been separated and are licensed accordingly. Any identified breaches would be reported accordingly.			
40	CCC	External officer to investigate where the issue with FOI requests originated (FOI team or Transport team).	M 13.5	In Progress	TBC	Data Protection Officer from PCC conducting a review - draft report has now been issued. The report will be available for the November Audit & Accounts Committee.			
41	CCC	Chief Executive to share the outcomes of the investigation into the FOI requests with Audit & Accounts Committee.	M 13.5	In Progress	TBC	Dependent on Action 46, above.			
42	CCC	Chief Executive to issue guidance to all County Council staff on Conflicts of Interest.	M 15.5	Complete	N/A	Completed on 23rd July 2018.			
43	CCC	All commercial transport providers to be required to operate under an O License or taxi license.	AL8 37.2.1 M 11.7	Complete	22.1 (Social & Education Transport Framework Contract) 22.2 (Transport DPS Contract)	This is enforced via the overarching framework contracts (see evidence), and the individual tender process for commercial contracts, and is monitored via spot checks of providers.			

44	CCC	CCC to check that O or taxi licences are in place for commercial providers.	AL 8 37.2.2 M 12.2	Awaiting evidence	24.1 (Schools checks)	This is currently monitored as part of Home to School contracts. Plans are in place to monitor this for Day Centre contracts, however no checks have yet been undertaken. Checks are undertaken for commercial bus routes but have not been formally recorded. The service is now planning to add these checks to their formal contract monitoring schedule to ensure there is a full record of these checks in future.			
45	FH&E	FH&E to advise public bodies providing funding if any assets so gained are used for commercial purposes.		Complete	27.1 (Status Update)	Superseded by the requirement that CTO and commercial activities are completely separate organisations. Internal Audit has verified separate bank accounts exist, and the Grant Monitoring Framework and spot checks include testing that funds have not been misallocated.			
46	CCC	CCC to review current transport contracts to identify any inconsistencies in requirements regarding public liability insurance levels and ensure these are addressed.	AL 6 26.2	Complete	5.1 (Emails from Insurance)	The Transport service progressed this with Insurance colleagues, who have confirmed that a value of £5m is proportionate.			
47	FH&E	FH&E to maintain records of driver eligibility and training.	AL 8 37.1	Complete	27.1 (Status Update) 17.1 (Driver Records Template)	Verified as completed by Internal Audit as at 23rd August 2018.			
48	FH&E	FH&E to communicate any changes to driver eligibility in line with grant agreement conditions; for instance if statutory outcomes from the DfT public consultation require further changes.	AL 8.37.2	Complete	15.2 (JD for Head of Ops)	CCC would now identify any failure to do this via the new monitoring framework and ongoing spot checks at grant recipient organisations, including checking of driver eligibility. Also covered in the Job Description for the FH&E Head of Operations.			
49	FH&E	According to their Memorandum of Association, FH&E Members are approved at either an AGM or by its Executive Committee. This was not taking place so a new process is needed.	M 6.7	Awaiting evidence	27.1 (Status Update)	Expected completion by Board sign-off on 15th October 2018. Awaiting evidence of minutes to confirm implementation.			
50	CCC	Cambridgeshire to consider whether any action is required regarding the FH&E external audit process.	M 6.5	Complete	6.2 (Finance Checklist)	As part of the spot checks to be undertaken on grant recipients via the Grant Monitoring Framework, officers will confirm that an independent audit has been undertaken on the recipient's accounts (not just an Independent Examiner's review as occurred in some instances previously).			
51	CCC	Report State Aid issue to DfT, in line with barrister's advice.	M 8.6 AL 4.16.2.1	Complete	12.1 (Letter to DfT) 12.2 (Response from DfT)	DfT have been informed and have advised the service to liaise with the EU over state aid rules. LGSS Law have been instructed but awaiting calculation of the estimated level of state aid before progression. See action 24.	Liaise with the EU over state aid rules. This action is awaiting the outcome of action 24.		
52	CCC	Report State Aid issue to the Mayor, in relation to the Bus Review.	M 9.3	In Progress	TBC	As above.			
53	CCC	Chief Executive to report state Aid issue to other District Councils.	M 8.6	In Progress	TBC	As above. The Chief Executive has liaised with District Councils to ensure they are aware of the issue, but a final calculation of the estimated level of state aid is required before progression.			
54	CCC	Council-wide guidance on grants to external organisations to provide advice on State Aid issues (see also 25, above).	AL 4.16.2.3	Complete	1.1 (Policy) 1.2 (CamWeb post)	N/A			
55	CCC	Chief Executive to meet with FH & E.	M 15.6	Complete	N/A	The Chief Executive has met with FH&E, and further meetings will be scheduled as required.			
56	CCC	Chief Executive to advise F&HE of any actions needed to ensure continuation of contracting relationship.	M 15.6	Complete	27.1 (Status Update)	Key action points for F&HE were identified and shared with the organisation.			

57	CCC	Chief Executive to meet with taxi drivers.	M 2.6	Complete	N/A	The Chief Executive has met with the taxi drivers association, and further meetings will be scheduled as required.			
58	CCC	Copy of the PKF report to be sent to the Traffic Commissioner.	M 7.3	Complete	11.1 (Email to TC)	A copy of the final report and Committee reporting was sent to the Traffic Commissioner on the 3rd August 2018.			
59	CCC	Council to establish whether there is a risk of CCC being fined by the European Commission.	M 9.11	Complete	12.4 (Email from Legal) 12.5 (Legal Advice Note)	Based on a legal advice note issues by Freeths, it is the opinion of the Acting Monitoring Officer that although there is a risk, this is relatively small and it is more likely that the Council would be required to recover the aid in question.			
60	FH&E	FH&E will disclose all public funding (over the current and past 2 years) on public body funding applications.	AL 4 5.16.1	Complete	9.1 (Status Update) 14.4 (F&GP Cttee Remit)	Assurance over this will be provided by the new funding database and application process and the new Terms of Reference of the Committees. A schedule of public funding is also under construction.			
61	CCC	EU Commissioners role to be dealt with in the Action Plan.	M 12.5	Complete	N/A	See action 69.			
62	CCC	Demonstrate that Action Plan actions are put in place.	M 10.1	Ongoing	N/A	Working Party formed.			
63	CCC	An interim report to Audit & Accounts Committee on the implementation of actions would be considered in 3 months.	M 15.8	In Progress	TBC	In progress. Initial report to Working Party on the 31st October, followed by main report to Committee on the 22nd November.			
64	CCC	Further update reports would be received by Audit & Accounts Committee until implementation is complete.	M 16.4	Ongoing	N/A	Working Party formed.			
65	CCC	Transfer of payments to PKF from Milton Keynes Council to the Cambridgeshire financial system would take place.	M 15.1	In Progress	TBC	Initial transfer made. Action remains ongoing to transfer final balance to CCC.			
66	CCC	Member consideration of how best to provide community transport services to be deferred until all possibilities including the Mayor's Bus review, could be taken into consideration.	M 15.2	Ongoing	N/A				