

**AUDIT AND ACCOUNTS  
COMMITTEE**

**Minutes-Action Log**



Cambridgeshire  
County Council

**Introduction:**

This log captures the actions arising from the Audit and Accounts Committee on May and June 2019 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 19<sup>th</sup> July 2019.

**MINUTES 11<sup>TH</sup> JUNE**

Item No.	Minute Number and Item	Action to be taken by	Action	Comments	Completed
1.	MINUTE 188. DEBT RECOVERY – LEVEL OF OUTSTANDING DEBT UPDATE REPORT				
	a) Targets in future Reports	R Bates	The need to see targets for the collection agents and the metrics of success on collecting certain types of debt.	To be included in the next update report	Ongoing
	b) Page 6 tables showing invoices raised and cleared	R Bates	A query was raised on whether the % shown by volume was invoices processed that month or due that month.	It has been confirmed that it relates to invoices.	Completed



	<b>c) Debt of a seasonal Nature / safe debts</b>	<b>R Bates</b>	Request that future reports identify debts which were of a seasonal nature and those regarded as safe debtors, in order to help identify if they were distorting the true level of outstanding debt.	<b>To be included in the next update report</b>	<b>Ongoing</b>
	<b>d) expansion of reasons for non-payment</b>	<b>R Bates</b>	Request for the January report to include an expansion of reasons for non-payment and whether these had increased in certain categories.	<b>To be included in the next update report</b>	<b>Ongoing</b>
<b>2.</b>	<b>MINUTE 190 INTERNAL AUDIT DRAFT ANNUAL REPORT 2018-19</b>				
	<b>a) Highways Purchasing</b>	<b>Mairead Claydon</b>	Update to be included in July Internal Audit Update Report	<b>The Internal Progress report does contain a full update on the completed contracts work as promised, with a detailed summary of work on the Coram Cambridgeshire Adoption contract. As work on the Highways contract is still underway, an interim verbal update will be provided at the meeting if desired.</b>	<b>Completed</b>
	<b>b) Key systems Review</b>	<b>Mairead Claydon</b>	Update to be included in July Internal Audit Update Report	<b>Included in report.</b>	<b>Completed</b>



	<b>c) list of the key financial control system and recommendations</b>	<b>Mairead Claydon</b>	Referencing Paragraph 4.2.5 the Chairman asked for a list of the key financial control systems and recommendations referred to. It was indicated that they would also be included in the July Report update.	<p><b>In report for the Accounts Payable, Accounts Receivable, Debt Recovery and IT Controls reports.</b></p> <p><b>The Payroll and General Ledger recommendations are in the process of being finalised and can be reported in detail in September or circulated to Committee members beforehand if desired.</b></p>	<p><b>Completed</b></p> <p><b>Ongoing</b></p>
	<b>d) Payroll Assurance Rating</b>	<b>Mairead Claydon</b>	Paragraph 4.2.6 and the table on pages 33-34 there was a request for an explanation of the 'satisfactory' rating for Payroll and others in the table when previously they had been given substantial assurance. This would be provided in the July Report update	<b>Included in Internal Audit Progress Report.</b>	<b>Completed</b>
	<b>e) Paragraph 4.7.1 information and Communications Technology (ICT) and Information Governance</b>	<b>Mairead Claydon</b>	Reading " <i>Internal Audit work is ongoing in this area and outcomes will be reported to the Audit &amp; Accounts Committee as soon as possible</i> ". It was confirmed that this would also be included in the July Report update	<b>Included in Internal Audit Progress Report.</b>	<b>Completed</b>



	MINUTE 191 DRAFT CAMBRIDGESHIRE COUNTY COUNCIL (CCC) STATEMENT OF ACCOUNTS 2018-19	Jon Lee / Martin Savage (MS)	a) On the presentation there was a request to <b>insert an additional blank line between net assets and the usable reserves line to make the distinction clearer.</b>	Will be changed in final accounts	
		JL / MS	b) Page 6 - Request that the diagram which was no longer produced in colour on printed agendas due to cost should be changed to dots / hatch lines so it showed up in black and white.	Will be changed in final accounts	
		J L / MS	c) <b>Page 7 – add to text in the line reading “As our resources come under increasing pressure.....” Make specific reference to the loss of Government support grant.</b>	Will be changed in final accounts	
		T Kelly (TK)	d) Page 8 last line 22 being red rated required more explanation.	Will be changed in final accounts	
		TK	e) Page 17 Explanation on Cambridge and Peterborough Combined Authority - there were material changes in terms of levy and grant which was why it had been included. Officers were asked to review if it was required	<b>Oral update to be provided</b>	



		Jon Lee (JL) / Martin Savage (MS)	f) Page 27 last paragraph reference to “.. declining revenue support grant ...” <b>it should be made explicit that this is being taken away by Central Government.</b>	Will be changed in final accounts	
		Action JL / T Kelly	g) No reference in narrative to Shire Hall move, LGSS, BDO, Guided Bus - officers to consider whether any should be made.	Oral update	
		MS	h) Page 41 Cash Flow Statement Line explanation required for: <ul style="list-style-type: none"> <li>a. Impairment and downward valuations ‘goes from -£12,142k to £114,246</li> <li>b. Increase / decrease in Debtors large variation</li> </ul>	Will be changed in final accounts	
		MS	i) those lines having a figure in 2018 and showing 0 in 2019. <b>Action to look at.</b>	Will be reviewed	
		MS	j) Page 49 - Surplus in brackets and then no more references. <b>Action to look at.</b>	Will be reviewed	
		JL	k) Page 75 – opening balance adjustment £26,180 – explanation required for this. <b>Action JL</b>	Will be changed in final accounts	
		JL	l) Page 78 and 79 top left hand text reading “cost of valuation” – this was confusing. <b>Action JL to check whether this was an accounting code requirement.</b> (Post meeting		



			<p><i>Note: This should simply read 'cost or valuation' and would be amended in the final statements.)</i></p> <p>m) <b>Page 87 Public Works Loans Board (PWLB)</b></p> <p>a. Fair value hierarchy for financial liabilities – top line query on why fair value amounts were both showing - £391,618</p> <p>b. Second sentence text not clear why the Council should be paying additional interest - explanation required if PWLB loans were meant to be cheaper than market rates.</p> <p>n) Page 92 table required to be filled in.</p> <p>o) Page 93 - ditto above - for short term creditors.</p> <p>p) Page 93 why was cash equivalents 0 in 2019?</p> <p>q) Page 114 Pension Scheme assets - cash and cash equivalent halved – there was no Pensions' officer present to explain this.</p> <p><b>GROUP ACCOUNTS</b></p> <p>r) Page 127 The Cromwell Museum - the note made no reference to value - this required explanation</p>	<p>Will be changed in final accounts</p> <p>Will be changed in final accounts</p> <p>Will be changed in final accounts</p> <p>Will be changed in final accounts</p> <p>Will be reviewed</p> <p>Oral update to be provided</p> <p>To be reviewed.</p>	Completed
		Action: JL			
		Action JL			
		JL / MS			
		JL / MS			
		J Lee to find out reason			
		JL / MS			



## MINUTES OF 28<sup>TH</sup> MAY MEETING

Item No.	Minute Number and Item	Action to be taken by	Action	Comments	Completed
3.	<b>Minute 177 Minutes</b>  a) <b>From the March Minutes - Children's Social Care Caseload Quarterly Update</b>	<b>Sarah-Jane Smedmor</b>	The Chairman asked that he be provided with an update on how recruitment of social workers was progressing in the North of the County.	<b>Update provided to Chairman 17<sup>th</sup> July.</b>	<b>Completed</b>
4.	b) <b>Minute 162 - Estates and Building Maintenance Inspections</b>	<b>Democratic Services/ John Mac Millan</b>	The Chairman queried the figure of 177 for the number of non-education building in Council ownership and asked that this be double checked.	<b>Update to Chairman provided 17<sup>th</sup> July.</b>	<b>Completed</b>
5.	c) <b>Minute 162 - Estates and Building Maintenance Inspections - Agreed resolution 6</b>	<b>Democratic Services to ask John Mac Millan</b>	The Chairman asked regarding the timescale for the report to Commercial and Investment Committee to receive the proposal for integrating property related income within the accounts.	<b>This would go to the September meeting.</b>	<b>Ongoing</b>



6.	<b>Page 23 - Minute 170 Internal Audit Plan 2019-20</b>	<b>Head of Internal Audit</b>	<p>Regarding the reference to the Anti-Fraud Network in response to more information requested on the Fraud and corruption section of the report, the Chairman asked for more details of the benefits received from membership of the Anti-Fraud Network.</p> <p>The Head of Internal Audit had originally undertaken to provide this in the next Internal Audit update report.</p>	<b>As there were a number of anti-fraud networks further clarification to be sought from Chairman</b>	<b>Ongoing</b>
	<b>MINUTE 178 MINUTES ACTION LOG</b>				
7.	<b>Item 6 Page 28 - Estates and Building Maintenance Inspections</b>	<b>Democratic Services to check with John MacMillan Group Asset Manager.</b>	Regarding the agreement that the Chairman would receive monthly update reports following the March meeting on progress to have a full lease record within 12 months, he was only aware that he had received one update report (e-mail of 2 <sup>nd</sup> May) and asked that a check was made that he would still be receiving them.	<b>Emails were sent by Democratic Services for confirmation. An oral update will be provided.</b>	
8.	<b>Item 9 e) Page 30 - Integrated Resources and Performance Report – LGSS Law Dividends —</b>	<b>Tom Kelly</b>	More detail on why it had not been received and would not be received for another two years. This action had subsequently been agreed as more appropriate for the Deputy Section 151 Officer to respond to the Chairman rather than the Director of Law and Governance outside of the meeting.		



9.	<b>MINUTE 182. WHISTLEBLOWING POLICY ANNUAL REPORT</b>	<b>Head of Internal Audit Neil Hunter / Audit and Risk Manager Mairead Claydon</b>	<ul style="list-style-type: none"> <li>to amend paragraph 4.1.5 at the request of Chris Malyon to change the designations to the Head of Paid Service and to include the Monitoring Officer designation rather than the LGSS Director of Law and Governance, highlighting that the Section 151 officer had different statutory responsibilities and to ensure consistency.</li> <li>to amend paragraph 5.4 to read 2 working days rather than “a couple of days”.</li> <li>External Auditor details needed to be added under legislation.</li> </ul>	<b>Changes made.</b>	<b>Completed</b>
10.	<b>MINUTE 183. COMMUNITY TRANSPORT ACTION PLAN –UPDATE</b>				
	a) Financial transactions to balance the budgets	<b>Neil Hunter / Mairead Claydon to liaise with Tom Kelly</b>	There was a request to speed up progress on the issues around getting agreement on repaying the excess funding	<b>A progress update is included on the agenda.</b>	
	b) Paragraph 3.3 Social and Education Contract Management Checking	<b>Neil Hunter / Mairead Claydon</b>	A question was raised on whether there had been any known breaches, as it had previously been agreed that the Chairman would be kept informed. Any breaches would be reported as part of this regular update report. However as the question had been raised, Neil Hunter undertook to take this away and check and then e-mail the Committee outside of the meeting.	<b>The SETT team had been approached for the information. Internal Audit were still waiting for an answer. An oral update will be provided at the meeting.</b>	



	c) Community Transport Action Log – Item 31 reading ‘Annual Review of Outcomes and benefits from the grant awards will be reported to E and E Committee’	<b>Rob Sanderson / Paul Nelson</b>	The Chairman asked that this report should also be received by Audit and Accounts Committee. <i>Post meeting Note: The Head of Democratic Services has reiterated that reports should not go to two Committees where there is a responsible Service Committee. Action: Democratic Services to liaise with the Head of Community Transport and send it to the Committee in an e-mail.</i>	<b>Democratic Services have requested details on when the report will be available.</b>	<b>Ongoing</b>
	<b>d)</b> Item 86 Page 69 reading ‘CCC to consider publishing Freedom of Information (FOI) Act responses via the website and therefore making them available to the public.		The implementation of a joint FOI system was to be reviewed in July 2019 with an implementation date of December 2019. The Chairman asked for assurance that this review meeting would take place.	<b>Internal Audit will include an update in the September Community Transport Update report.</b>	<b>Ongoing</b>
	<b>e)</b> Grants to External Organisations Policy Compliance Page 72 - paragraph 2.2 -	<b>Neil Hunter / Mairead Claydon</b>	Regarding the sample size used of 8 grants, the Chairman asked for an e-mail to be sent of how many grants there were in total in order that he could better assess the sample size used.	<b>80 grants in total were identified as a result of this review.</b>	<b>Completed</b>



11.	<b>MINUTE 184 UPDATE ON EXPIRED SECTION 106 RECEIPTS (DEVELOPER CONTRIBUTIONS)</b>	<p><b>Tom Kelly</b></p> <p><b>Tom Kelly</b></p> <p><b>Neil Hunter / Mairead Claydon</b></p>	<p>a) There was a request for details of the number of section 106 amounts held</p> <p>b) There was a request to check with each district council that there were no amounts they were expecting the County Council to hold and for which this Council did not have a record.</p> <p>c) Neil Hunter undertook to ensure the next Internal Audit report progress report provided an extract from their audit coverage of Section 106 agreements highlighting whether any recommendations for improvements in the process were to be suggested.</p>	<p>There are 564 S106 obligations for which CCC has received the funds and 636 S106 Obligations which are signed but CCC hasn't yet received the funds – so a total of 1200 obligations in total.</p> <p>The County Council is confident that it is not in the position highlighted that Fenland was in in 2005/6 and is not losing funding through poor record keeping. All Section 106 records are well managed and this is confirmed by the Internal Audit review earlier this year. The districts liaise with the S106 Team when triggers are met to ensure both collect the agreed funding.</p> <p>Details are included in the Internal Audit Progress Report. The review gave good assurance on controls systems and good assurance on compliance so no major issues.</p>	<p><b>Completed</b></p> <p><b>Completed</b></p> <p><b>Completed</b></p>
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12.	<b>MINUTE 185 - INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH 2019</b>				
	a) Page 117 'People lead a healthy lifestyle and stay healthy longer	<b>Tom Barden</b>	In respect of those off target e.g. Smoking Cessation Programme and Health Checks Programme - the Chairman requested more detail on these outside of the meeting.	<b>Tom Barden provided this information in an email to the Chairman dated 13<sup>th</sup> June.</b>	<b>Completed</b>
	b) Page 119 Table on the number of service users supported by key care budgets	<b>Tom Kelly</b>	More detail on these areas was included in the Finance and Performance Report received by the Children and Young People's Committee. The Section 151 officer undertook to share the report with the Committee.		
	c) Page 148 - Abbey Meadows School	<b>Tom Kelly</b>	More information was requested by Chairman on why the substantial works required to be undertaken to bring the school up to standard (before converting to Academy status) had not been picked up earlier.		
13.	<b>MINUTE 186 AUDIT AND ACCOUNTS COMMITTEE FORWARD AGENDA PLAN</b>				
	<b>BREXIT</b>	<b>Democratic Services</b>	There was a request that as BREXIT was now due to take place at the end of October, there should be an update report at the November Committee meeting on its impact to Council services.	<b>Included on updated agenda plan</b>	<b>completed</b>
<b>Minutes of 26th March 2019</b>					



14.	<b>MINUTE 162 - ESTATES AND BUILDING MAINTENANCE INSPECTIONS</b>	<b>John MacMillan</b>	a) Provide monthly updates to the Chairman on the intention to have a full leases record within three months.		<b>ONGOING</b>
		<b>John MacMillan</b>	b) A report in twelve months as a year on update on the 5 year rolling inspections property assets which would also now include schools	To be programmed for March 2020	<b>ONGOING</b>
15.	<b>LGSS Law Dividends</b>	<b>Tom Kelly</b>	With regard to why the LGSS Law dividend had not been received and would not be received for a further two years, more detail would be provided to the Chairman this action had passed to be completed by the Deputy Section 151 Officer		<b>ONGOING</b>
16.	<b>MINUTE 173 – FORWARD AGENDA PLAN</b>	<b>Internal Audit / Democratic Services</b>	Due to the size of the current agenda there was a request that officers should consider whether there should be additional committee meetings scheduled in the year.	Democratic Services have liaised with Internal Audit and agreed new streamlining arrangements for future meetings with the Chairman to come into effect from the September cycle to negate the need for additional meetings.	

## Minutes of 22nd November 2018

<b>Item No.</b>	<b>Minute Number and Item</b>	<b>Action to be taken by</b>	<b>Action</b>	<b>Comments</b>	<b>Completed</b>
17.	<b>Minute 132.Community Transport Action Plan</b>	M Claydon	PKF Report to come forward to January Meeting	An oral update to be provided	<b>On going</b>



18.	<b>Minute 133 Use of Consultants</b>	M Claydon	Internal Audit indicated that they would be conducting a follow-up review of compliance with this policy in the first quarter of 2019/20. (April-March)	An update for the current meeting is that this won't be until later in the year now, as the first report to Committee from HR/Procurement is only coming to the current meeting (see separate Report on the agenda) and therefore time was required to let that process become established before Internal Audit reviewed it again.	<b>On going</b>
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### Minutes of 30th July 2018

<b>Item No.</b>	<b>Minute and Item Number</b>	<b>Action to be taken by</b>	<b>Action</b>	<b>Comments</b>	<b>Completed</b>
19.	<b>Minute 108 Audit Completion Report (ISA 260) Draft for the year ended 31st March 2018</b>	R Sanderson/ L Clampin	It was confirmed that BDO were not in a position to report to the January Committee.	External Audit were not yet in a position to report.	Ongoing



Item No.	Item	Action to be taken by	Action	Comments	Completed
20.	<b>Ely Southern Bypass Project Bypass Project</b>	D Wilkinson / M Claydon	Economy and Environment Committee at its meeting on 12 <sup>th</sup> April 2018 when considering the Ely Bypass overspend Capital Report requested that Internal Audit should review this project as part of one of the reviews on capital project overspends to establish whether any lessons could be learnt going forward.	A report with recommendations is included on the current agenda	Completed