Lincolnshire COUNTY COUNCIL
Working for a better future

AUDIT COMMITTEE
29 JANUARY 2018

PRESENT: COUNCILLOR MRS S RAWLINS (CHAIRMAN)

Councillors A J Spencer (Vice-Chairman), A P Maughan, R B Parker, P A Skinner and A N Stokes

Also in attendance: Mr P D Finch (Independent Added Person)

Officers in attendance:-

Rachel Abbott (Audit Team Leader), Debbie Barnes (Executive Director, Children's Services), Robin Bellamy (Wellbeing Commissioning Manager), Glen Garrod (Executive Director of Adult Care and Community Wellbeing), Alina Hackney (Senior Strategic Commercial and Procurement Manager), Steve Houchin (Head of Finance (Adult Care)), Tony McArdle (Chief Executive), Pete Moore (Executive Director, Finance and Public Protection), Lucy Pledge (Audit and Risk Manager), Richard Wills (Head of Paid Service and Executive Director, Environment and Economy), Rachel Wilson (Democratic Services Officer), David Forbes (County Finance Officer) and Mike Norman (External Auditor, KPMG)

38 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor P E Coupland.

39 DECLARATION OF MEMBERS' INTERESTS

There were no declarations of interest at this point in the meeting.

40 MINUTES OF THE MEETING HELD ON 27 NOVEMBER 2017

It was noted, during consideration of the minutes that the Chairman had met with the Leader of the Council and the Chief Executive since the last meeting to raise the Committee's concerns regarding payroll.

RESOLVED

That the minutes of the meeting held on 27 November 2017 be signed by the Chairman as a correct record.

41 COMBINED ASSURANCE STATUS REPORTS

Consideration was given to a report which provided the Audit Committee with an insight on the assurances across all the Council's critical services, key risks and projects.

The Chief Executive and the Executive Directors were in attendance to present their Combined Assurance report and answer any questions from members of the Committee.

Update by the Chief Executive

The Chief Executive thanked the Committee for the opportunity to come and talk about where the authority was and its future direction. Services continued to perform substantially above the national average. However, there were no established measures to determine whether the council as a whole was good or bad, other than those from inspectorates or benchmarking information. The three main areas which had been identified as continuing to operate at a better standard than other authorities were Children's Services, Adult Social Care and Highways and Transport. It was noted that the authority was delivering above average services for below average costs.

In terms of finances, the Council remained in a sound position for the current day and age. It was reported there were some local authorities on the point of insolvency. Lincolnshire was not one of them. County councils such as Lincolnshire were at a significant disadvantage in the way that they were financed when compared to some other authorities.

The Council was further behind in its IT infrastructure than was expected by this point. When the authority entered into the support services contract it was the intention to be ahead of the game in IT services. The current position was a very disappointing place to be. However, there was a glimmer of hope in that as the authority was so far behind, and as IT developments moved so fast, there may be the possibility of 'leapfrogging' some of the difficulties with current technology and begin again from a more advanced position in terms of business operations, equipment and software systems.

There were general difficulties faced by local government as a whole, and it was commented that it was not thought that there was a vision in government of what role local government played, and it would remain a troubled sector.

In terms of planning for tomorrow, there were specific difficulties, such as the NHS in this County which was in a desperate state as standards and quality of care had deteriorated in large parts of the county as financial difficulties escalated. It was highlighted that the authority was very good at providing assistance to health colleagues, for example with delayed transfers of care (DToC), but there was a troubled interface with the NHS, which could affect things for a while. From a management point of view, there had been regular engagement with the NHS.

How the Council worked with the private sector was changing, and work with the private sector would continue but it would not be on the same scale in the future. The capability of large private sector companies to carry out public service contracts was reducing. The market was not as it was, and the way to achieve best value may be to see more services delivered in house.

There was a need to focus on growth moving forward and to support economic development. The Greater Lincolnshire LEP was very actively supported by the Council, and was a very successful LEP.

The public sector in general was under a lot of pressure including district councils, and there were also substantial pressures on the criminal justice system, due to the way in which public services were organised in places like Lincolnshire. The accountability for the NHS and criminal justice system were very distant. It was hoped that there would be more local accountability for local decisions in the future. This was something which would need to be monitored.

The results of the latest staff survey had been made available and this year had seen the highest ever return rate, with around 56% of staff responding. This was a very high figure for a staff survey. The results were largely the same or slightly better than the previous survey. The survey showed that the staff were contented and working hard, with morale at an all-time high. Any problems in relation to staffing would be around competition and retaining staff as the market was becoming a lot more competitive.

Members were provided with the opportunity to ask questions in relation to the update provided and some of the points raised included the following:

- It was commented that some of the difficulties experienced by staff in relation to IT seemed to be in contrast to the results of the staff survey. Members were advised that the survey asked common questions year on year so that comparable data could be obtained. It was acknowledged that the question which related to environment and equipment was the one which scored the lowest, but the score did not drop lower than the previous year. Management were aware that they were asking staff to use IT which was not always fit for purpose and out to date. The biggest disappointment was that the council had not been able to give staff the tools needed to do their job.
- IT governance was one of the threads which had run through the update, and the aspiration was to get ahead of the game with the support services contract, and it was queried whether the Council was actually ahead of the game at the point when the contract began. It was mentioned that there was a belief that the authority may be able to 'leaf frog' from being behind to catch up with current IT development, but it was queried what gave the Chief Executive confidence that this would be possible. Members were advised that at the start of the contract, the authority was not necessarily ahead in terms of IT, but the specification was included to improve what was already in place.
- It was believed that one route to making significant savings was by using IT to engage with the public. Serco were selected as they had implemented this elsewhere.
- It was noted that IT changed at a rapid pace, and the authority had had a 'shopping list' from the beginning of the contract. Some of the things which were on that list would now be redundant.
- There was now a very short space of time in which Serco could show they had improved, and if they were going to do something different, it needed to be now.

- It was queried whether it was thought that there would still be limited assurance for IT by this time next year. It was hoped not, as by September 2018, the Council needed to be in a significantly advanced position in relation to IT.
- It was commented that the council had a lot of software that was bespoke, and it was queried whether other authorities were facing similar difficulties. It was suggested whether there was an option of the Council running its own software company. However, it was not foreseen that the Council would run its own software systems. It was acknowledged that the authority had been guilty of having too much bespoke IT, and in the future there was a preference for more 'off the peg' systems. The more that the Council could make itself consistent with the rest of the market the better. There was a need to have standard systems which would work from day one.
- The future of social care was discussed, and it was commented that any further funding would need to be used in an unringfenced way.
- It was acknowledged that there were problems with very large organisations bidding for local government contracts, as their ability to deliver these things was not always as expected. This authority would always look to take the best value option, whether that was using smaller, local companies, or larger organisations.
- It was suggested that providing services in house would remain as a significant option as big operators were finding their margins squeezed.

Executive Director for Children's Services

It was reported that Children's Services was wide in terms of its remit, and safeguarding of children was considered to be the priority aspect of work due to the risks safeguarding presented. The work of the directorate was subject to third party assurance through Ofsted, and a short or focused inspection was expected shortly.

Members were informed that there was a stable leadership team, and there was strong performance with the county's schools. School improvement work continued to provide strong results, although performance at some key stages was below national indicators. There remained a small number of hard to move academies in terms of improvement and officers had shared their concerns with the Regional School Commissioner.

School nursing and Health Visitoring had been transferred in house which would offer significant opportunity to integrate all services for children and young people.

It was reported that this year had seen the implementation of the Mosaic case management system, which had had significant teething problems, and initially had not been able to provide robust performance information when first implemented. Work was now in the stage where improvement tweaks were required to what was being done, rather than a need for significant changes.

Partnership working with Serco was improving and the authority continued to seek more cost effective and innovative ways of doing things. It was also noted that the

Service had been working with Rotherham Council for two years, and work was just commencing with Tower Hamlets. Consultation was also taking place around a programme of works for special schools.

Due to a recent change in legislation, the authority would be responsible for care leavers until the age of 25, and so there would be work to do with districts around this new responsibility in relation to a joint protocol for housing options.

ICT continued to be a challenge and there was a need to ensure that staff working front line practice had fit for purpose ICT equipment, which was not the case at the moment.

There were also significant pressures and demands on social care. An additional bid for additional resources had been submitted. Recruitment of qualified social workers remained an issue with agency staff making up the shortfall, and the aim was get down to zero vacancies filled by agency staff. Current performance was at 8% which was significantly …… than national average.

In terms of People Management, there were still issues with payroll to resolve.

Members were provided with the opportunity to ask questions in relation to the update provided and some of the points raised included the following:

- In relation to apprenticeships, it was noted that the project had been slow to start and it was queried whether the Council would lose a significant proportion of the levy. It was also queried whether it was planned to have apprenticeships for hard to recruit to posts. Members were advised, that in terms of the levy, in the first instance, it was over a two year period so the authority should not be penalised. Work had been carried out which meant that the authority was ready to move forward from a procurement perspective for training opportunities. It was also noted that the delays had been at a national level as the training/standards for many apprenticeship schemes were not yet ready. It was noted that this was out of the authority's control as they were being produced at a national level, but members were assured that when the standards were ready, the authority would be ready.
- In terms of supported accommodation, there was an invest to save project that was presented to the Property Board, where fire houses which were no longer required by Fire and Rescue would be converted for use as supported accommodation. It was hoped that the joint protocol with district councils would recognise the local need, and work with the county council to provide accommodation for care leavers so they didn't make themselves intentionally homeless.
- It was commented that the report had highlighted that there was a lack of quality data from Mosaic and Agresso following implementation. It was acknowledged that data which was required on a daily basis, such as how many cases were allocated to a social worker had not been able to be provided at first, however, members were advised that this was not now the case.
- Managers were struggling to manage sickness and appraisals through Agresso. Although, strategic information was available, it was difficult to

understand at an operational level so managers could target resources to help improve sickness levels.

- Members were advised that there was management oversight of the payroll systems by one of the executive directors.
- The Committee congratulated the Executive Director and her team for the work they had done in Rotherham.

Executive Director Adult Social Care and Community Wellbeing

It was reported that winter was often the busiest time of year for Adult Care and Community Wellbeing services.

In terms of delayed transfers of care (DToC), from an Adult Care perspective, performance was very good.

A lot of work was carried out on quality checking as there were 19,000 care workers. There was a small team who focused on quality assurance. Contracting was once a function of Adult Social Care, but this was now carried out by the procurement and commercial team.

In terms of the service sector, there were over 370 providers who were performing to the same standard as the rest of the country. About 80% of those were good or outstanding, none were inadequate, and the rest were improving. The authority worked closely with CQC colleagues and would provide assistance to those providers which were struggling, and would work with them for months if necessary.

The CSC had improved its performance. However, regarding financial assessments undertaken by Serco these were not performing well, but additional resources had since been allocated. ICT had not delivered the channel shift which was expected, which was one of the efficiency drivers. Housing was very important and it was anticipated that the government would expect upper tier authorities to get more involved in supported housing. It was noted that working age adults in need of care were the biggest cost to the authority, at around a cost of £11m each over their care career. Due to this, adult care continued to be a growth industry in terms of cost. Improvements in health and care mean that people with complex needs are now living longer than they previously would have done, which is why meeting housing needs would be important in the future.

The single largest strategic risk that was faced by adult care, would be if the government did not resolve the funding for social care by 2020, when nationally, the service would be facing a cliff edge and social care would start to collapse in parts of the country. It was also noted adult care demanded a lot of public interest in the media. Also, a risk to adult social care was the better care fund (BCF) as it underwrote a number of corporate budgets by £7-8 million, this was in addition to the total value in underwriting adult care costs.

There was a need to improve design standards for houses yet to be built, as if houses were designed slightly differently they would be able to meet the needs of disabled adults, and these adjustments would not cost any more money.

Members were provided with the opportunity to ask questions in relation to the update provided and some of the points raised included the following:

- It was queried why two areas (Adult Frailty and Long Term Conditions and Customer Service Centre) had received low assurance. Members were advised that this was due mainly to the financial assessments. At the organisational level, this generated in excess of £40 million of income as a result of charging, and individuals were assessed on their ability to contribute to care costs. This could result in bills for thousands of pounds if assessments were not carried out in an appropriate time. Serco where not performing as was needed and some people were waiting up to 9 months for financial assessments and then for charges to start. In December 2017, it was arranged with Serco for additional staff to assist with the assessments. Performance data had now changed so managers could monitor how many people were waiting on a monthly basis, which would then be reported to the portfolio holder.
- The CSC was rated as low assurance due to the abandoned call rate, and also that there had been a lot of staff sickness in the team. It was noted, that all of the services performance was now green. The worry was the ability to carry out channel shift was not there, as there was no ability for self-service.
- It was noted that there was £3million in the budget for IT, and there was a recognition that the authority could not pay the lowest amount and expect a high end service. When IT improvements were in place, it was expected that financial assessments would work well, people would continue to have good quality customer experience, and for staff to see it was not just a software programme but it could communicate with other systems so that different organisations were getting information about one person's life. This would provide much richer information, reduce duplication in services and also allow for predictive care.
- In relation to Mosaic, a lot of issues had been ironed out, but it was queried whether assurance could be given that the Council's statutory duties were being met. It was also noted that Lincolnshire was in the upper quartile nationally across the board, but what now needed to be understood was how others would contribute in terms of finance. For example, the BCF needed to be agreed with the four CCG's and the Health and Wellbeing Board and the DFG had to be agreed with the district councils. Work was underway to reduce the risk to the Council.
- When Public Health and Adult Care Director areas were merged into Adult Care and Community Wellbeing in October 2016, all the contracting functions were transferred to the procurement unit. Many of the contracts which received low assurance were historical, and a very different outcome should be found now.
- It was queried whether external providers would be able to use Mosaic and whether there was confidence that other organisations would be able to input into the system. It was noted that Fire and Rescue could already connect to it as of December 2017. It was commented that there were no software problems, but there were connectivity problems, which it was hoped would be resolved in late Spring 2018.

- It was commented that the direction and changes within the directorate could now be seen, and that there was a whole team approach, and it was not just about efficiencies but a better service.
- In terms of the issues faced by the NHS, it was hoped that there were some lessons that could be learned from how adult social care was administered at a local level. There was a need for the NHS to examine its systems and procurement.
- In Lincolnshire, £236 million of services were in a pooled budget and commissioned largely by the Council, most of which were on behalf of the NHS. It was noted that there was beginning to be an understanding in the NHS that there might be some skill sets within the Council that could be of assistance.

Executive Director for Finance and Public Protection

It was reported that there was ongoing risk in relation to finance and reflected in the budget. The Council was currently going through the process to agree its budget for the coming two years. The budget continued to make measured savings supported in a measured way by the use of reserves. The Council had made £290million of savings in the last few years. This was partly due to reducing government grants and also growing pressures.

In terms of the situation after this two years, from 2020 onwards, if nothing changed with Adult Social Care funding or the fairer funding campaign, the authority would need to make a further £20 million of savings. It was noted that the possible savings from back office services had already been made.

In terms of the BCF, if funding was not maintained or increased through other grants this authority would be under severe pressure along with other social care authorities.

Again, the £3million allocated to ICT improvements was highlighted as the importance of this had been recognised.

It was highlighted that continued improvements in assurance levels for the directorate could be seen, in particular, Corporate Property which was performing well. It was noted that the option of setting up a property company was being investigated, as this would allow the Council to do more work around extra care housing as well as solutions for care leavers.

In terms of finance and audit, there were measured improvements on two years ago, but from a financial aspect there was still some work to be done through the Agresso route map.

There would be a need to keep an eye on the situation with Brexit, as the impacts may be with things such as the pension fund. The reduction in the pound had reduced the pension deficit but officers could not be certain what would happen in the future.

Fire and Rescue had had a very positive outcome from a peer review last year, but there were a few things in terms of planning to be followed up in terms of learning, such as the Police and Crime Act and the duty to collaborate with the Police and EMAS.

In relation to Emergency Planning, business continuity plans were due to be reviewed at the beginning of 2017, but there had been a couple of factors which had delayed this activity. However, members were advised that this work would now be completed by summer 2018.

Members were provided with the opportunity to ask questions in relation to the update provided and some of the points raised included the following:

- In relation to the 2% red risks, it was clarified that these related to Business Support budgets and were no longer a red risk. It was reported that Business Support had made savings of around £4 million.
- It was noted that good conversations were taking place with three districts about extra care housing facilities.
- In relation to fairer funding, the Committee was advised that a technical consultation document had been published just before Christmas 2017. It was noted that all the right building blocks had been included in the document, e.g. rurality. However, there was not a lot of new money in the system, and it was thought it would be very difficult to implement or approve radical change in the current system.
- In relation to the 2020 deadline for funding, it was noted that this also coincided with Brexit and it was queried whether there would be any medium term benefits from leaving the EU, and whether there had been any talk at a national level of whether local government might benefit from this. It was commented that if there was a transition period of two years, the financial commitments of the country would be very similar to current arrangements.

Executive Director for Environment and Economy

The increase in amber risks to 44% was acknowledged, but it was commented that this may not necessarily be a bad thing if the risks were understood and planned for. There would be a need to look at the Council's appetite to risk.

The KPMG report which had been carried out in relation to the Support Services Contract had been reported to this Committee on a number of occasions. It was thought that the council now had sufficient oversight and scrutiny in place in relation to the contract. It was also noted that the Council had commissioned Cap Gemini to produce a report identifying the future direction of strategic ICT for the Council. In terms of the current position, it was noted that some of the tasks had had to be brought in house.

In terms of the Agresso upgrade, it was noted that user acceptance testing would be carried out, and it was hoped that staff would be using the upgraded system in March 2018.

In terms of waste management, this was a service which was dependent on seven other partners, and so difficulties were expected. There was a joint waste partnership which was working to make waste services run more smoothly, and it was commented that it was probably in a better position than it had been for a number of years. A food waste trial was about to be undertaken in South Kesteven.

The heritage service was aiming to move to a zero budget base, but may struggle to achieve this in the time set.

In response to the news that Carillion, the contractor appointed to construct the Lincoln Eastern Bypass (LEB), it was noted that whilst this was rare, it was not that unheard of that the Council did not have processes in place for this eventuality. The East Midlands framework had been used to appoint another contractor in the interim to allow works to continue, however, there was a limit on contracts of £25million. A contract had been awarded to Galliford Try and a package of works would be agreed. There would also be a second framework with an unlimited upper contract value. There was the potential for the interim contractor to bid for the second framework contract. It was noted that Carillion had run into trouble due to service related projects, and as a company were looking sound when the Council awarded the LEB contract to them two years ago, and at that time, there was no real reason to expect the company to get into difficulties. Projects of this size had always been awarded to external contractors. Within the Council, there were procedures in place which allowed it to move quickly when situations such as this arose.

Members were provided with the opportunity to ask questions in relation to the update, and some of the points raised included the following:

- It was queried what lessons had been learned in relation to a dependence on the private sector. It was noted that due diligence was done on both sides, and due diligence on the finances were also carried out when the profit warning was issued for Carillion in July 2017. The situation had been watched closely, as well as putting plans in place in the event of a failure of the company.
- Within the last two months, officers had been working out how much money was owed to Carillion, and what was the value of the works which had been carried out so far, and if there were any outstanding payments. It was noted that the main earth works had not been done and the work which had been carried out was well supervised. The railway bridge aspect of the project had been de-risked as it had been carried out by Network Rail. The archaeology work had also been carried out. Finances were now being managed a lot tighter and the authority was making payment in arrears, but it was not unknown for some projects to pay in advance of works.
- It was not possible to comment on whether the collapse of Carillion would have a negative on local businesses. It was possible the incoming contractor may take on some of the sub-contractors.
- In terms of the ongoing profitability of private sector partners, it was queried whether there could be a fixed process where every quarter or 6 months, private sector partners could provide evidence with regards to their profitability as auditors were giving Carillion a clear bill of health. However, members were advised that it was a company's ability to deliver a contract rather than

their ability to stay in business which was looked at. Central government did do a bit of more in terms of checking finances of private sector partners. It was not thought to be a good use of public money for local authorities to look into this as well.

- A company going out of business would not mean that a contract was terminated. A decision would need to be taken by the authority to end the contract.
- It was suggested that the points around continued due diligence work be passed on to the commercial team, but there was a need for balance around the amount of due diligence which was carried out.

RESOLVED

That the updates given and points raised be noted.

42 EXTERNAL AUDIT PROGRESS REPORT

Consideration was given to a report from KPMG, the County Council's external Auditors, which gave an update on the 2017/18 deliverables.

Members were guided through the main sections of the report and were advised that there were no changes to the Code of Audit Practice, and the main difference to previous years, was the bringing forward of the deadline for the draft accounts to 31 May 2018, and the final signed accounts by 31 July 2018.

The Committee noted the revised deadline for the accounts, and also requested whether written assurances could be sought for Clare Pickering who was taking over the role of Audit Assistant and 'In Charge' role, she would be able to carry out this work.

RESOLVED

That the progress report and comments made be noted.

43 INTERNAL AUDIT PROGRESS REPORT

Consideration was given to a report which provided details of the audit work undertaken during the period 1 September and 31 December 2017, as well as advising on the progress with the 2017/18 audit plan.

Members were advised that 20 final audit reports had been issued, with 16 being given high or substantial assurance. Three audits were issued with limited assurance and the full executive summaries were available in Appendix 2 of the report. It was reported that representatives from the service areas would be in attendance to give members updates on what actions had been taken to address the concerns highlighted in the audits.

It was also noted that one consultancy assignment had been completed, and a further 9 audits had been completed to draft stage.

Officers reported that performance against targets was showing significant improvements. It was also noted that there had been some changes to the Plan since its approval at the start of the year, with some audits being added, and others being moved back.

Members were provided with the opportunity to ask questions to the officers present in relation to the information contained within the report and some of the points raised during discussion included the following:

- In Appendix 3 to the report, outstanding actions as of 30th November 2017, were listed, and it was noted that some dated back to March 2015 and it was queried why they had not been completed. Members were advised that these recommendations related to the integration of IT systems, however, they were still being followed up with the Information Governance team.
- In relation to the Agresso upgrade, it was noted that this would not be going live until March 2018, and it was queried why this had been delayed an extra month. Members were advised that the final testing phase had revealed one or two problems, but nothing major, but they required intervention from the supplier. It was noted that user acceptance testing needed to be completed, as well as penetration testing, where external people would try and get into the system. It was envisaged that the upgrade would be live four weeks from the date of this meeting.
- It was noted that the audit on Cyber Security had not started and it was queried what the reason for this was. Officers advised that this audit had been postponed due to staffing changes with the Chief Digital Officer role. Whilst there was someone acting up in this role audit would continue to work with them until they were in a position for an audit to be carried out. It was confirmed that the main issue in delaying this audit was the change of personnel.
- The significance of these areas was recognised, but it was also recognised that the interim Chief Digital Officer needed time to get to know the systems. The IMT assurance map was due to come to the Committee in March 2018. It was also acknowledged that cyber security was still recognised as a strategic risk.
- It was requested whether the Committee could see a copy of the Cap Gemini report, and it was noted that it was a very technical report.
- In relation to the Agresso upgrade, it was queried whether the testing had been done with live data sets, and it was noted that three payroll runs had been carried out.
- In terms of the outstanding recommendations, it was queried how significant it was that they were still outstanding. It was noted that there would be more impact on the control and risk environment if the assurance given was limited and the recommendations were high priority.
- It was queried whether a comment could be included with the list of outstanding recommendations so the Committee could understand the impact

of these recommendations being outstanding. It was noted that alongside the recommendations was an agreed action plan and the implementation of the recommendations would be tracked, why some had not been implemented would also be looked at.

- The time frame for implementation of recommendations needed to be agreed with management, but, this was generally about three months for high priority recommendations. It was requested whether the manager could be asked to come to the Committee if recommendations had not been implemented six months after the audit, and it was agreed that this would be added into the work plan.
- It was noted that the majority of the outstanding recommendations were related to payroll functions and members were advised that this was on officers' radars.
- It was commented that at the time that reports were completed, managers accepted that the recommendations were high priority, and so it was clear that timescales needed to be realistic. If the recommendations could not be implemented in three months there was a need to set a realistic timescale.

Officers were in attendance to update members on actions taken in relation to the audits carried out for the Wellbeing Service, Adult Social Care Client Contributions and Housing Related Support which were all issued with limited assurance.

In relation to the Housing Support and Wellbeing Service, the following was reported to the Committee:

- All contracts were transferred to the Commercial Team in October 2016 and it was identified very quickly that there were some key risks and so assistance was sought from the Audit Team.
- At the point when the audit was being undertaken, many things had started to be addressed by the Team. Existing contract arrangements were due to come to an end, and these contracts were not always meeting what people required.
- It was an opportunity to demonstrate what governance was put in place, and the audit was able to see that lessons had been learnt.
- All procurement was reviewed in line with the new framework.
- All areas of concerns had been addressed, and through management feedback, the team was keen for Audit to come back to see where processes had been improved.
- Following the transfer of the procurement and contracting, it was noted that from a commissioner perspective, there was reassurance on how contracts would now be delivered. Previously the approach had been very provider led, but was now commissioner led, which was very positive.

In relation to the Client Contributions Policy, the following was reported to the Committee:

- There had been issues around the time lines of assessments. The target was for 75% of assessments to be conducted within 14 days.
- Performance had started to improve, particularly in relation to system issues and timeliness. 75% were now completed within the required timeframe.

- However, there were still concerns about the other 25%, and steps were being taken to make sure that the impacts were mitigated.
- Issues were being dealt with on a case by case basis.
- It was noted that what other authorities did had been looked at, and it was found that all were doing something slightly different in terms of deadlines. It was up to the authority to look at what was realistic in terms of timelines.
- Serco were supportive of the help being provided by the Council.
- There would be a need to look openly at the policy and the KPI's.

RESOLVED

1. That the outcomes of Internal Audit's work be noted.
2. That relevant managers be asked to attend a meeting of the Audit Committee if recommendations of audits were not implemented within six months.

44 WORK PLAN

Consideration was given to a report which provided the Committee with information on the core assurance activities currently scheduled for the 2018/19 work plan.

It was noted that it would be included in the work plan that managers should be requested to attend a meeting of the Committee if recommendations set out in a final audit report had not been implemented within six months.

It was suggested that a workshop be held in the afternoon of March 26th, following the meeting in the morning, to discuss the work plan and inform the Committee's annual report which would be submitted to Council in May 2018.

It was also noted that the Executive Director Adult Care and Community Wellbeing would be coming back to the Committee in March or June 2018 with a report on the progress with financial assessments.

The Chairman announced that Mr P D Finch, Independent Added Member would be retiring from the Committee at the end of the year and thanked him for his service to the Committee over the years.

RESOLVED

That the work plan, and the points highlighted above be noted.

The meeting closed at 1.20 pm