

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT COUNTY HALL, LLANDRINDOD WELLS ON MONDAY 21ST NOVEMBER 2011

PRESENT: County Councillor Mrs S. C. Davies (**Chair**)

County Councillors Mrs L. V. Corfield, A. W. Davies, Mrs E. R. Davies, L. R. E. Davies, Ms M. J. B. Davies, E. A. Jones, J. G. Morris, K Pathak, Mrs C. E. Powell, G. P Vaughan and A. M. C. Weale.

Officers in attendance:

Mr G. Petty (Strategic Director – Finance and Infrastructure), Mr S. Cameron (Accountancy Manager), Mr I. Halstead (Internal Audit Manager), Ms C. Ketteringham (Auditor), Ms J. Jeffreys (Shire Manager), Ms S. O’Grady (Shire Manager Montgomeryshire), Ms A Owen (Treasury Manager), Mr W. Richards (Scrutiny Services Manager), Mrs L. Patterson (Committee Clerk).

Attending:

Ms L. Gyton Head Teacher Ysgol Cedewain, Ian Harrison Chair of Governors Ysgol Cedewain, Ms R. Bridge Vice-Chair Ysgol Cedewain.

County Councillor Mrs M. R. Harris (Portfolio Holder for Social Services, Care and Health).

1.	APOLOGIES	A42 - 2011
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Apologies for absence were received from County Councillors G. R. Banks M. D. Hodges and Mrs D. G. Thomas, A. G. Thomas (Portfolio Holder for Resources, Workforce and Housing) and Ms C. Williams (Head of Finance).

2.	MINUTES	A43-2011
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The Chair was authorised to sign the minutes of the previous meeting held on 21 November 2011 as a correct record.

3.	DECLARATION OF INTEREST	A44-2011
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Councillor Mrs R. Davies declared a personal but not prejudicial interest that she knew the previous Bursar of Ysgol Cedewain who was also a Governor at Caersws Primary School where Councillor Mrs Davies was a Governor.

4.	CORRESPONDENCE	A45-2011
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No correspondence was received.

5.	INTERNAL AUDIT	A46-2011
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The Internal Audit Manager presented the Adverse Opinions and Tracker Report (copy filed with signed minutes).

5.1 Ysgol Cedewain

The representatives from Ysgol Cedewain presented an updated Action Plan (copy filed with signed minutes).

The Head Teacher explained that she had been appointed in September 2010 as an Acting Head. The Chair of Governors had been elected in September 2010 and a high proportion of the Governing body were appointed around that time.

When the Head Teacher had been appointed she had been assured by the outgoing Head that the Principal Officer who dealt with financial matters was highly experienced. At the beginning of January 2011 the Principal Officer went on sick leave. It was hoped that she would return and in the interim the school secretary picked up this work. The school have also had to deal with a matter relating to two laptops which at present are missing. Internal Audit visited in the spring and it was brought to the attention of the school that the level of internal control was not as expected.

The audit undertaken had concentrated on certain areas and did not pick up the larger governance issues that the school was experiencing. From the school's perspective it would have been better if Internal Audit could have visited in September 2010 when the change of Head Teacher occurred or later when the school had been afforded the opportunity to implement new procedures.

It was confirmed that there had been no effective governance or management control for some time at the school prior to September 2010. The school representatives confirmed that much work had been undertaken since September 2010 to put into place effective governance and management procedures although there was further work to be done. It had been necessary to take advice from HR in Powys and although this advice had been personally supportive it had not always been timely and had been inconsistent.

Members queried the high level of money held in the School Fund. This is money that the school manages and is not the direct responsibility of the authority although the Audit Committee were seeking assurance that it was properly managed. The School Representatives confirmed that the Vice-Chair of Governors who was an accountant had assisted in implementing proper accounting procedures and the fund had spent approximately half of the balance on resources for the benefit of the children.

It was confirmed that the Principal Officer's post was at present vacant but that a recruitment process was underway and it was expected that the post would be filled by January 2012. The Principal Officer appeared to have been appointed as School Bursar but had been changed at some stage to Principal Officer as a Senior Management Post in the School. There was no resolution from the Governing Body to this effect merely a reference to a change in job title in the Governing Body minutes.

It was confirmed that the school had last received an Internal Audit in 2005. This had given an opinion of Low Assurance. In 2007 the school had received an extremely good Estyn Inspection. No further inspection seems to have occurred until 2011 when Internal Audit were asked to undertake an inspection. Members were concerned that the school had been experiencing increasing problems which were not being identified. The Chair of

Learning and Leisure Scrutiny Committee welcomed information regarding this matter and asked that the scrutiny committee receive a copy of the papers which are before Audit Committee.

Members expressed concern regarding the missing laptops with regard to the data held on them. The school representatives confirmed that they were unable to confirm what information had been held on the laptops but the Governing Body would be addressing this issue at their meeting on 1st December 2011 with advice from the Principal Solicitor in Powys.

Members thanked the school representatives for attending the Audit Committee and being so frank in their discussions with the Committee.

RECOMMENDED THAT	REASON FOR RECOMMENDATION
<p>1. the Audit Committee accept the updated Action Plan provided by Ysgol Cedewain and note that the school would receive a follow-up visit from Internal Audit in the near future,</p> <p>2. a copy of the papers regarding this matter be circulated to the members of the Learning and Leisure Scrutiny Committee for information</p> <p>3. Internal Audit consider undertaking baseline Internal Audit visits to schools where there has been a change in Head Teacher.</p>	<p>1. to monitor the implementation of the action plan.</p> <p>2. to advise scrutiny members of the Learning and Leisure Scrutiny Committee of the experiences of Ysgol Cedewain</p> <p>3. to improve the service provided by Internal Audit to schools.</p>

5.2 Business Continuity – Adult Services

The Committee was advised that the names of responsible officers would be included in the action plan after 1st December, 2011 following the completion of the Care Management Review. The Service was also committed to attending Council training exercises in future. The Committee expressed concern that although the plan had been published, copies could not be located on the Council's intranet / internet. A copy would be circulated to all Members of the Committee together with an updated version after 1st December.

It was noted that Barbara Smith, Manager for Contracts and Commissioning had responsibility for the plan with Nygaire Bevan having overall responsibility as Head of Service. The Committee asked whether staff were aware of the plan and the responsible officers. Team Managers had been instructed to include this matter on their management agendas in order to disseminate the information, and there was liaison between Social Care and Emergency Planning to ensure that training was in place.

The Committee expressed concern that the plan focussed too heavily on inclement weather to the exclusion of other types of emergencies. However the Committee received assurance that the plan covered all types of emergency situations. The Committee also asked whether a risk assessment of managers was undertaken to ensure that they were

supported at critical times. A hierarchy of staff had been identified in the plan so staff are supported. The plan also included contingency plans in the event of staff sickness. During last year's period of heavy snow, senior staff were undertaking daily telephone calls to other managers to ensure that services were being provided including the monitoring of internal and external providers.

The Committee asked whether relevant officers had been provided with risk management training. Key managers had received risk management training and an updated training programme was being devised to ensure that staff would be released to undertake training.

The Committee was of the opinion that it could not sign off the action plan until Members had been given the opportunity to read and discuss it. It was suggested that on receipt of the plan if Members had questions that they be directed to either the Chair or the clerk, and if there were only a few questions then responses could be circulated by email.

The Committee questioned how the plan would be tested to ensure that its provisions did work. The Portfolio Holder for Social Services, Care and Health advised the Committee that sub-programmes of the Powys Change Plan would affect this plan. She also apologised for the non-attendance of Social Services staff at the last emergency exercise. It was suggested that the ethos of the plan had been fully tested during last year's winter and she and the Portfolio Holder for Environment and Regulation had been involved in regular telephone conferences during that period relating to the process for service provision.

RECOMMENDED THAT	REASON FOR RECOMMENDATION
<p>1. that the Audit Committee be circulated with the updated Business Continuity Plan and have the opportunity to raise queries via the Clerk</p> <p>2. the Audit Committee then accept the updated Action Plan provided by the service and requested an update in progress in 6 months time.</p>	<p>1. for the Committee to have the opportunity to view the Business Continuity Plan</p> <p>2. to monitor the implementation of the action plan.</p>

5.3 Short Term Care

The inspection of this area in 2009 led to 12 recommendations for improvement being made. When these recommendations were revisited in 2011 it was found that no significant action had occurred to address the issues raised. Some of the work in relation to the action plan fell into the work being undertaken by the Council on the top 50 providers. There were also service priorities in relation to supported tenancy agreements and out of County commissioning which meant that there was limited capacity within the service to address other areas of work including short term care. However other resources had now been identified for 2011 / 12.

The Committee asked regarding the value of the contract and the number of clients involved and was advised that the contract was a block contract with a value of approximately £500k annually providing respite care to clients across Powys totalling 93. In Brecon the service was used for 2 long stay clients with limited use of respite services. The Committee also questioned whether it was feasible to only allow 3 weeks between the award of the service and the start of the new service. It was noted that the service would continue to be provided by the current contractor until the transfer, with a transfer process agreed between providers which will be written into new arrangements.

A number of events would occur leading into the new service, and the new service model may look significantly different to the current model. The process would also identify the needs of service users and engage with them as to how they see their needs in future.

In relation to the annual review of care plans, work was being undertaken by additional reviewing officers with the focus on those service users in receipt of domiciliary care. With regard to the reviews relating to learning disabilities service users this is the role of Team Leaders and Shire Managers, and therefore no additional resource was being made available, but it was hoped that there should be sufficient resource within the service to cover this requirement. The Committee questioned whether the Shire issues related to recruitment/retention/absence issues and was advised that there were always pressures on teams due to staff sickness with clients needing ongoing support. However the Shire Manager (Adults Services) Montgomeryshire was confident that if teams were functioning to capacity then reviews should be undertaken.

The Committee asked about the monitoring of occupancy levels and was advised that monitoring occurred at a local level but varied dependent on property locations. However it was a matter for Cartrefi Cymru as the provider to manage occupancy levels with quarterly monitoring reports submitted to the Commissioning Team, which were then circulated to local social care managers. A review of usage had been undertaken since the audit inspection which had assisted in informing the action plan. In relation to the staffing of respite care establishments, staff were employed by Cartrefi Cymru with the County Council managing the contract. However if there were a transfer of the current service to another provider then TUPE issues may arise for the new provider which would need to be taken account of in the new contract.

The Committee asked about the concern in the recommendations relating to an over-reliance on Cartrefi Cymru for the provision of the service and whether the action proposed would meet the risk. It was noted that the service did not need a great level of continuity and there would not be any difficulty for the County Council if the contract was undertaken by others or changed to a different model. The Shire Manager (Adults Services) Montgomeryshire was satisfied that service users did receive the level of assessed need and that local managers monitored the level of care plans being provided.

Concern was expressed that there were no interim measures in the plan with regard to the provision of information regarding respite care to the public. Care managers are aware of respite care provision and Cartrefi Cymru are responsible for the information to the public. General information regarding services is included on the social services website but there is no specific information about services and no capacity to develop this. However service users cannot access these services unless they have been assessed. If the service changes next year than information will be provided.

The service commitment is currently to action the plan based on the current timescales included within the plan. A Member asked about provision in Radnorshire and the delay in the building of a respite care house. The Committee was advised that this delay was as a result of a review of the model, and an attempt to avoid voids in housing stock which could be used for respite care. Clients could also access respite services elsewhere in the county, although members expressed concern at the likely travelling distances to other facilities. It was also noted that there was an inequity in service delivery across Powys and it was hoped that the redesign of the service would address this.

The Portfolio Holder advised the Committee that there were currently 7 programmes operating under the Care and Well-Being Programme Board relating to the Powys Change Plan. There was in addition the top 50 providers project looking at commissioning.

The Portfolio Holder expressed concern regarding the proportionality and timeliness of reports being presented to the Audit Committee. The Chairman indicated that adverse internal audit reports would always be presented to the Audit Committee as it was the Committee's responsibility to monitor that action plans were being implemented.

RECOMMENDED THAT	REASON FOR RECOMMENDATION
the Audit Committee accept the updated Action Plan provided by the service and requested an update on progress in six months time.	to monitor the implementation of the action plan.

6.	ANNUAL GOVERNANCE STATEMENT	A47-2011
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The Accountancy Manager presented a report on the Annual Governance Statement (copy filed with signed minutes).

Members were assured that Heads of Service were required to confirm that they were complying with governance standards and it was this confirmation that would feed into the Annual Governance Statement to be agreed by the Authority together with the annual accounts by the 30th September of each year.

Concern was expressed at the cost of producing an Annual Report as outlined in Recommendation 6 of the report if the report was likely to be a summary of other reports already published. The Accountancy Manager undertook to investigate if other authorities were intending to publish an annual report and would report back to the next meeting on potential costs.

7.	TREASURY MANAGEMENT QUARTERLY REPORT	A48-2011
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The Treasury Manager presented the Quarterly Report (copy filed with signed minutes).

It was confirmed that this was a particularly volatile time with positions changing on an almost daily basis. However, the Committee was advised that repayments would be made following a successful court case relating to funds invested with Icelandic banks.

It was confirmed that the first payment from the Icelandic Bank Landsbanki was expected imminently and this sum would be paid back in instalments over 3 or 4 years. The Glitnir sum was expected in early February 2012 and this would be paid as one full payment.

8.	WORK PROGRAMME	A49-2011
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The work programme was received.

MRS S. C. DAVIES
CHAIR

Meeting Closed 1.15pm