

## **AUDIT AND ASSURANCE COMMITTEE**

Minutes of a Meeting of the Audit and Assurance Committee held on Tuesday, 17 September 2019 at 10.30 am at Rooms A and B, Cumbria House, 117 Botchergate, Carlisle, Cumbria, CA1 1RD

### **PRESENT:**

Mrs HF Carrick (Chair)

Ms C McCarron-Holmes  
(Vice-Chair)  
Mr LN Fisher

Mr NH Marriner  
Mr FI Morgan

### **Also in Attendance:-**

- |               |   |   |
|---------------|---|---|
| Mrs J Crellin | - | Director of Finance (Section 151 Officer)               |
| Mr R McGahon  | - | Group Audit Manager                                     |
| Ms I Puzio    | - | Chief Legal Officer (Monitoring Officer)                |
| Mr M Humble   | - | Senior Manager-Learning Disability/Mental Health/Autism |
| Ms H Kirk     | - | Senior Risk Officer                                     |
| Mr A Horrobin | - | Safeguarding Adults Service Manager                     |
| Mr R Anderson | - | Engagement Manager – Pensions, Grant Thornton           |
| Mr J Wright   | - | Engagement Manager – Council, Grant Thornton            |

### **PART 1 – ITEMS CONSIDERED IN THE PRESENCE OF THE PUBLIC AND PRESS**

#### **25 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr F Cassidy and Mr G Cook.

#### **26 MEMBERSHIP**

Mr F Morgan replaced Mr F Cassidy as a member of the Committee for this meeting only.

#### **27 DISCLOSURES OF INTEREST**

There were no disclosures of interest made at the meeting.

## **28 EXCLUSION OF PRESS AND PUBLIC**

There were no items on the Agenda for which the press and public should be excluded.

## **29 MINUTES**

RESOLVED that, the minutes of the meeting held on 26 July 2019 be agreed as a correct record and signed by the Chair.

## **30 DEEP DIVE RISK ANALYSIS - ADULTS' SAFEGUARDING**

The Deep Dive for this meeting was Adults' Safeguarding.

The presentation was delivered by the Senior Manager - Learning Disability/Mental Health/Autism and the Safeguarding Adults Service Manager and covered the following:

- The Corporate Risk rating
- Safeguarding Adults – Care Act 2015
- Causal factors
- Challenges (capacity and capability, policy, procedure and protocols, training and supervision and partnership relationships)
- Mitigations against risk (capacity and capability, policy procedures and protocols – updated, guidance – new and updated, training and supervision, partnership working)
- Safeguarding Improvements

Whorlton Hall in Durham was presented as a case study of an Independent hospital and the following information was presented to members:

- Current position – people with a learning disability
- Lessons learnt – assurance and work undertaken to improve the service area
- Further mitigation

A member asked that in relation to mitigations against risk, particularly the Self Neglect procedure review, how this was balanced with the client's lifestyle. The Safeguarding Adults Service Manager confirmed that officers tried to see the world through their client's eyes, nothing should be done without the Client's consent and that advocacy support was ensured.

After the member advised that she required more information about the Dovetail pilot implementation, the Committee was informed that this would be the basis of a member training session.

Discussion took place on the different remits of the Audit and Assurance Committee and Scrutiny Panels in respect of service related issues. The Director of Finance

(S151 Officer) clarified that the Audit and Assurance Committee focussed on seeking assurance of the controls and governance arrangements whereas Scrutiny fulfilled a different function which related to performance and delivery. The Chair added that both had a different focus. The Group Audit Manager advised that the Deep Dives undertaken by the Committee gave members a detailed understanding of risk.

A member queried what was being done to address the lack of capacity and capability in staffing. He was concerned with the number of safeguarding referrals and pressure on workloads. The Safeguarding Adults Service Manager reported on the work undertaken to address this by improved partnership working, the improved logging and tracking of concerns and the monitoring of responsiveness.

It was confirmed that there were currently 382 live enquiries and 50 enquiries were being addressed each week on average. A member was concerned about the figures and asked what was being done to reduce the number of enquiries. The Safeguarding Adults Service Manager reported that the length of time that enquiries took to resolve differed but all were logged and prioritised. The Committee was advised that this was undertaken on a local basis and that figures were affected by the demography of the locality, for example South Lakeland had a high number of care homes which had an impact on local figures.

Discussion took place on the work being undertaken with partners to raise their awareness of inputting the correct data and to ensure they had a data recording mechanism that worked for them. Members were informed that a new dedicated safeguarding team would be implemented in late 2019 which meant specialist officers were dealing with referrals. A member highlighted that managing demand was difficult when there were limited resources. The Safeguarding Adults Service Manager reported on the partners that the County Council was working with and the work being undertaken with GPs. Clarification was provided on client advocacy with one member providing a personal example of the importance of family support for clients.

The Chair commented on the complexity of the service area and highlighted the challenge to make improvements within the stipulated timescale. She welcomed that a systematic approach had been taken in response to member concerns. She considered it a challenge to know what 'good' looked like (whether it should be a small or large number) and recognised that it was related to the issue of capacity. She advised that the Committee needed to seek assurance that there was adequate and suitably trained staff to deal with enquiries. She recognised that there were now improvements in the service area. She considered that 10 was an acceptable risk score.

The Group Audit Manager advised that the County Council had recognised that current processes were not working and had introduced mitigations against risk accordingly. It was noted that this risk would remain a challenge as it was a national challenge.

A short discussion took place on the methods for reporting complaints and whether technology had made it easier. The Group Audit Manager commented that people's

awareness of their ability to report complaints and the fact that they were taken seriously will have contributed towards an increase in figures.

The Chair suggested that Adults' Safeguarding be the subject of a member training session. This was agreed by assent of the Committee. Members thought that this would be useful for all members to understand what was going on in their area.

The Senior Commissioning Manager - Learning Disability/Mental Health/Autism guided members through a case study at Whorlton Hall in Durham where there had been cases of extensive abuse. The Lessons Learnt were outlined and how they were being applied in Cumbria was reported.

Following a number of member questions, the Senior Commissioning Manager - Learning Disability/Mental Health/Autism reported on the separate provision for forensic patients, the approach to staff recruitment, the enhanced community model and on the development of and the use of the Dynamic Support Register. It was confirmed that family or carers and where possible, individuals themselves were involved in whether or not people were placed on the Dynamic Support Register.

The Chair thanked the officers for their presentation.

RESOLVED that,

- 1 The position be noted.
- 2 A member training session be held on Adults' Safeguarding to encourage understanding of this area beyond the Committee.

### **31 2019/20 QUARTER 1 CORPORATE RISK REPORT**

A report was considered from the Director of Finance (s151 Officer) regarding the 2019/20 Quarter 1 Corporate Risk Report. The report provided members with a progress update on the Council's refreshed 2019/20 corporate risks for the first quarter to 30 June 2019.

The Director of Finance (S151 Officer) drew members' attention to the comparison of the Quarter 4 and Quarter 1 risks. She advised that there was continuity of the risks due to their nature and as a result, the Council was in the position of treating and tolerating strategic risks rather than terminating them. The Director of Finance (S151 Officer) talked about the increase in the score of the Risk to Deliver a Financially Sustainable Authority. This risk score reflected the current uncertainty of long-term funding for councils and the demand pressures for in particular, care services. The other strategic risks were being managed in this context. She hoped that by the end of the year, the likelihood element of the risk would reduce, if a long term funding settlement was announced by Government.

The Director of Finance (S151 Officer) was pleased to report that no new risks had been identified during Quarter 1 but she advised that no risks had been removed

from the register in the last quarter. She commented on the watching brief being observed on emerging risks.

A member highlighted a discussion at a recent full Council meeting about the ongoing review of suitable green investments as part of the Council's Pension Fund. The Director of Finance (S151 Officer) advised that there was a growing interest in Pension Funds' investments in relation to environmental, social and governance considerations.

RESOLVED that,

- 1 The content of the Quarter 1 report be noted and members agree that the report provides sufficient assurance that the current Risk Management arrangements are both robust and effective.
- 2 The presentation on Corporate Risk 'Safeguarding of Children and Adults' with an emphasis on Adult Safeguarding be received (recorded at Minute 30).
- 3 The December 2019 meeting to consider Learning Disability Partnership Arrangements as the Deep Dive.

## **32 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN - ANNUAL REVIEW LETTER 2019**

A report was considered from the Chief Legal Officer (Monitoring Officer) regarding the Local Government and Social Care Ombudsman (LG&SCO) – Annual Review Letter 2019. The report provided members with information relating to complaints made to the Local Government and Social Care Ombudsman regarding Cumbria County Council for the year ended March 2019.

The Monitoring Officer guided members through the report and highlighted that only a small proportion of referrals to the LG&SCO were upheld. She reported that in 2018/19, 51 complaints or enquiries were received by the LG&SCO although decisions were made on 55 cases as the figures included some decisions made on cases that were received in the previous year. In 2018/19 detailed investigations were carried out on 19 cases, with 12 upheld, that found fault with the Council's handling of the complaint. In the eight cases where the LG&SCO had made recommendations to remedy complaints, they were implemented by the Council in all eight cases. Members were informed that the County Council generated less complaints per head per 10,000 people in comparison to the nearest neighbour comparator group as defined by CIPFA. She reported that the Council was reviewing its complaints handling system.

Following a member query, the process for reporting complaints was explained by the Monitoring Officer. This included the process for Adult Social Care, Children's Services and the Council's corporate complaints process. How the LG&SCO became involved in complaints was explained. Members commented that the explanation of the complaints system given to them had been helpful and felt that it would be useful to all members to have a better understanding of the complaints

process. The Monitoring Officer was therefore asked to share information with all members on the Council's Complaints Process.

A member referred to the issues of poor record taking and a lack of Independent Persons and queried whether this had been resolved. The Monitoring Officer reported on the challenges related to the recruitment and retention of Independent Persons and explained that a review was being undertaken in order to aid with the resolution of complaints efficiently. The Monitoring Officer would feedback members' concerns about poor record taking. To avoid confusion, it was suggested that complainants in each individual case be referred to as 'the complainant'.

The Chair considered that commonality, communication, timeliness and record keeping were issues to address. In looking to the future, the Chair commented on the new interactive data map and new initiatives in place and queried whether they would add value. The Chair offered for the Committee to review and feedback to officers on the interactive data map.

RESOLVED that,

- 1 The content of the report and the Local Government and Social Care Ombudsman Annual Letter for 2019 attached as Appendix 1A to the report be noted.
- 2 The complaints process be circulated to all members.

### **33 INTERNAL AUDIT PROGRESS REPORT**

A report was considered from the Group Audit Manager regarding the Internal Audit Report to 31 July 2019. The report provided a summary of the work of Internal Audit in the four months to 31 July 2019. Members were informed of a number of key points. This included the outcomes from Final Audit Reports to 31 July 2019. This identified the Audit area and the Assurance level awarded. The Group Audit Manager was pleased to report a 'Substantial' assurance level for GDPR implementation and 'Reasonable' for Cyber Security. He informed members that consultancy work had been carried out with the Fire Service with the Audit team acting as a critical friend.

Members' attention was drawn to the summary of outcomes of final audit reports issued to 31 July 2019 and the work that Internal Audit had been involved in. Members were guided through the Draft Reports issued to 31 July 2019. The Group Audit Manager highlighted that in 2018/19, three schools had received 'Limited' Assurance, however, due to the follow up work undertaken, Alston Moor School had now been moved to 'Reasonable' assurance.

Members were advised of the status of reviews included in Internal Audit's revised work plan for 2019/20 and of the changes agreed with management. This had resulted in 5 audit reviews being rolled forward into the 2019/20 audit work plan and he reported on the other amendments to the Approved 2019/20 Audit Plan.

An explanation was provided on the need to improve the Council's governance and management of grants and additional funding and the time taken to audit them. The Group Audit Manager reported the supporting work of the Audit team and the ideas they had for the project.

The Committee was informed about the Audit team's Improvement Plan 2019/20 and the key improvement actions which had been implemented to date. In addition, the Group Audit Manager talked about the revised audit opinion definitions and how they were contributing to the modernisation of the Audit service.

Following a member question, the Group Audit Manager provided an explanation of the new ADAM system used for commissioning homecare packages. The Chair welcomed the way the Internal Audit Service was organised, how it was working as a critical friend and the new definitions for audit opinions resulting in a more user friendly service.

RESOLVED that, the progress made and the outcomes of internal audit work be noted.

## **34 GRANT THORNTON ITEMS**

### **a Annual Audit Letter 2018/19**

The Grant Thornton Annual Audit Letter for Cumbria County Council for the year ended 31 March 2019 was considered. The letter summarised the key findings arising from the work of Grant Thornton at Cumbria County Council, its subsidiaries and the Cumbria Local Government Pension Scheme for the year ended 31 March 2019.

An updated Appendix A – Reports issued and fees was tabled at the meeting.

In presenting the Annual Audit Letter for Cumbria County Council for the year ended 31 March 2019, the In Charge Auditor talked members through the high level messages. These included that the Council and Scheme Accounts were compiled to a very high compliance standard and that the overall Value for Money conclusion was that Grant Thornton was satisfied that in all significant respects, the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2019. No matters had been identified that required the use of Statutory Powers in 2018/19. The Government Accounts had been returned by the end of July 2019 and certificates had been issued which was welcomed as few local authorities achieved this. Work to certify the Council's Teacher's Pension claim was ongoing and would be finalised by 30 November 2019.

RESOLVED that, the position be noted.

## **b Audit Progress Report 2019/20**

The Grant Thornton Audit Progress Report was considered. The report provided the Committee with an update on Grant Thornton's progress in delivering its responsibilities as the County Council's external auditors for Cumbria County Council and Cumbria Local Government Pension Scheme, Year ending 31 March 2019.

In presenting the report, the Engagement Manager advised that an unqualified opinion had been issued on the Council's and Pension Scheme's financial statements and an unqualified Value for Money conclusion had been issued on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources. He commented that officers had produced a high standard of technical accounts. IAS19 assurance procedures for 10 bodies admitted to the Pension Scheme had been carried out and assurance letters were issued with no matters arising.

Members' attention was drawn to the updated Reports Issued and Fees document that had been tabled at the meeting which reported that there were a number of areas where the scope of the audit had changed, resulting in additional work and therefore an increase in the audit fee. Reasons for the increase were explained. These included the impact of the McCloud Judgement on the Scheme's present value of past service liabilities, the additional improvement work required in respect of IAS19 and Journal testing Council and Scheme Audits. Grant Thornton Officers advised that attempts had been made to limit costs where responsibility lay out-with the control of the County Council.

Discussion took place on the difference in figures for the fees for the statutory audit and Audit of the Pension Scheme on the report published with the Agenda and the report tabled at the meeting. The Engagement Officer guided members through the detailed fees for the Pensions - IAS19 which were outlined in the tabled report but not the report included in the Agenda.

The Chair queried the figure of the total audit fees set out in the tabled report following the explanation by the Engagement Officer. The In Charge Auditor undertook to review the Total Audit Fees figures and report back to members on the correct figures and reissue the report.

The Chair thanked Officers from Grant Thornton for all of the work undertaken and support to the Committee.

RESOLVED that,

- 1 The position be noted.
- 2 The In Charge Auditor to review the Total Audit Fees figures and report back to members on the correct figures and reissue the report.

### **35 FORWARD PLAN - AUDIT AND ASSURANCE COMMITTEE**

The Committee's Forward Plan was considered.

It was agreed that the Deep Dive for the 9 December 2019 meeting would be Learning Disability Partnership Arrangements.

The Chair invited Grant Thornton Officers to forward any Agenda Items to the Senior Democratic Services Officer.

RESOLVED that, the Deep Dive for the 9 December 2019 meeting will be Learning Disability Partnership Arrangements

### **36 DATE AND TIME OF NEXT MEETING**

The next meeting of the Committee will be held on 9 December 2019 at Cumbria House, Carlisle at 10.30am.

The meeting ended at 12.30 pm