



Rutland County Council

Catmose Oakham Rutland LE15 6HP.

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Minutes of the **MEETING of the AUDIT AND RISK COMMITTEE** held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on Tuesday, 31st January, 2017 at 7.00 pm

PRESENT: Mrs D MacDuff (Chair)
Mr J Lammie
Mr N Begy
Mr W Cross (as Substitute)

Miss G Waller
Mr M E Baines
Mr M Oxley

OFFICERS Dr T O'Neill
PRESENT: Mr Saverio Della Rocca
Mr D Brown
Mrs Kelly Epps
Miss R Ashley-Caunt
Mrs Rebecca Wilshire
Mrs Kim Cross

Director for People
Assistant Director - Finance
Director for Places
Internal Audit Manager
Head of Internal Audit
Head of Service - People
Corporate Support Officer

PRESENT: Mr Tony Crawley
Cllr Richard Foster

KPMG
Portfolio Holder for Children and Young People (Safeguarding)

The Chair welcomed Mr M Oxley to the Committee.

544 MINUTES

The minutes of the Audit and Risk Committee held on 20th September 2016 were confirmed and signed by the Chairman.

MATTERS ARISING

Minute number 288 – The Director for Places addressed the questions raised at the previous meeting regarding Taxi Driver licensing.

- a) Convictions of Indecency Offences – If a taxi driver licence application comes through with an indecency conviction the application would go before the Development Control & Licensing Committee for consideration as each application has to be considered on its own merits. If an existing taxi driver licence holder is convicted of an indecency offence a multi-agency approach is already in place and the Council should be informed. The information would flow to the designated officer and again would go before the Development Control & Licensing Committee for consideration.

- b) Child Sexual Exploitation (CSE) Training for drivers – It is a requirement for new drivers to undertake the CSE training, however Rutland County Council cannot withhold a licence if the applicant fails to complete the CSE training as the advice was that the test is not relevant to the ‘fit and proper’ person test. The Director for Places will be entering into discussions with the new Portfolio Holder for Transport regarding driver’s engagement in CSE training.

545 DECLARATIONS OF INTEREST

There were no Declarations of Interest in respect of items on the agenda.

546 PETITIONS, DEPUTATIONS AND QUESTIONS

No Petitions, Deputations or Questions had been received from members of the public.

547 EXTERNAL AUDIT UPDATE

Report No. 21/2017 was received from the Assistant Director (Finance). The purpose of which was to update the Committee on the outcome of grants certification work for 2015/16 and to outline the approach to the external audit for 2016/17.

During the discussion the following points were noted

- i. Clarification was given that the Medium Term Financial Plan was highlighted as an area of focus at all local authorities rather than just Rutland given the financial pressures and uncertainties facing the local government sector.

RESOLVED

The Committee **NOTED** the update from the external auditors, KPMG LLP

548 INTERNAL AUDIT UPDATE

Report No. 27/2017 was received from the Head of Internal Audit. The purpose of the report was to update Members on the progress made in delivering the 2016/17 Annual Audit Plan and key findings arising from the audit assignments completed since the last Committee meeting.

During the discussion the following points were noted

- i. Both schools visited for audits of financial management were maintained schools, including community or voluntary aided schools, as Internal Audit were unable to assess academies.
- a) Fostering – Limited Assurance
- i. It was confirmed that the use of the term ‘illegal placement’ was made as specific timescales and processes had not been followed. It did denote that that the child placed was at significant risk.
 - ii. It was clarified that following the Internal Audit review and the process failures noted, the Head of Service had since reviewed the remaining 31 foster carer’s cases (outside of those tested by audit).

- iii. Regular multi agency meetings were being held to monitor processes surrounding Children Looked After (CLA).
- iv. The recruitment process was working and the team are consistently replacing agency posts with permanent placements.
- v. Ofsted report was due to be published on 13 February 2017. A more comprehensive plan that sat under the 6 recommendations and also incorporated the Ofsted recommendations had been prepared and would be brought to the next meeting of the Audit & Risk Committee.
- vi. Members agreed the report would be shared with the Chair of the Local Children's Safeguarding Board and Children's Scrutiny Panel due to the element of children's safeguarding contained in the report, and that a draft action plan would be considered together.
- vii. It was confirmed that the action points due to be completed by the end of January 2017 would be completed by the end of February 2017.
- viii. Members were assured that Liquidlogic was now in place, processes were being followed and the management team were able to review reports.

ACTIONS

It was **AGREED** that Dr T O'Neill - Director for People and Deputy Chief Executive would take the report and proposal to the Chair of the Local Children's Safeguarding Board and Children's Scrutiny Panel; and Dr T O'Neill would attend the next Audit & Risk Committee meeting to provide an update and the action plan.

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Mr J Lammie left the meeting at 8.30pm

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b) Development Control – Substantial Assurance

- i. Members raised concerns that there was not a Conservation Officer in post. Various comments not related to the internal audit review were made regarding the Planning Service. The Chair indicated that she would raise these with the Chair of the Places Scrutiny Panel.

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Ms R Wilshire left the meeting at 8.45pm

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a) SEN Transport – Sufficient Assurance

- i. Members raised concerns that discussions with parents and schools had not been consistently completed before changes effected.
- ii. A detailed transformation for the SEN team had commenced with every area of work under review and the results would be reported back to this Committee when the transformation was completed.
- iii. The Director for Places confirmed the two medium level recommendations would be addressed in accordance with the timescales set.

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Mr D Brown left the meeting at 9.00pm

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a) Liquidlogic implementation – Sufficient Assurance

- i. Internal Audit were unable to fully test the access controls, security arrangements and audit trails as that particular function was not available at the time when the testing took place.
- ii. Lessons had been learnt on the project and a corporate approach to how projects are implemented had been put in place along with corporate Project Management support.
- iii. Members sought clarification that the implementation of IT systems would be reviewed by the Resources Scrutiny Panel.

b) Oakham Enterprise Park – Follow Up

- i. Members noted that 8 out of 9 recommendations had been implemented.

RESOLVED

The Committee **NOTED** the Internal Audit update report (Appendix A).

549 INTERNAL AUDIT PLANNING 2017/18

Report No. 26/2017 was received from the Head of Internal Audit. The purpose of the report was to advise Members on the process being followed to develop the Internal Audit Plan for 2017/18 and listed the initial areas proposed for consideration subject to risk assessment and prioritisation. Members were also invited to highlight any areas where they required assurance from the Internal Audit team during the next financial year.

The report asked that Members delegated authority to the Assistant Director (Finance) in consultation with the Chair of the Committee to approve the audit plan for 2017/18 prior to 1 April 2017. Changes to the audit plan could still be made throughout the year as the need arose.

Following discussion, a potential review of affordable housing was agreed to be added for consideration. Consultancy support on the establishment of the Barleythorpe business centre was also added, in light of recommendations made on the Oakham Enterprise Park in 2015/16.

AGREED

Members agreed to review the list of initial areas highlighted for potential coverage in the Internal Audit Plan 2017/18 and email suggestions to the Chair to provide a consolidated list of areas to Internal Audit.

RESOLVED

- a) The Committee **NOTED** the process being followed to develop the risk based Audit Plan for 2017/18
- b) The Committee **NOTED** the initial areas highlighted for potential coverage in the Internal Audit Plan 2017/18 and advised on any areas where the Committee sought assurance from the Internal Audit team during the year ahead.
- c) The Committee **AGREED** to delegate authority to the Assistant Director (Finance) in consultation with the Chair of the Committee to approve the Initial Audit Plan for 2017/18

550 ANY OTHER URGENT BUSINESS

The Committee agreed training on Public Sector Network Compliance would be included at a future pre-meeting training session.

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The Chairman declared the meeting closed at 9.38 pm.

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