

General Purposes & Audit Committee

Meeting of held on Thursday, 7 December 2017 at 6.30 pm in F10 - Town Hall

MINUTES

- Present:** Councillor Karen Jewitt (Chair);
Councillor Joy Prince (Vice-Chair);
Councillors Jeet Bains, Jan Buttinger, Sherwan Chowdhury and
Patsy Cummings, Stebe Hollands
- Also Present:** Councillor Simon Hall and Louisa Woodley
- Apologies:** Councillor Mike Fisher, Patricia Hay-Justice and Bernadette Khan

PART A

35/17 **Minutes of the Previous Meeting**

RESOLVED: That the minutes of the meeting held on 20 September 2017 be signed by the chair as an accurate record of the meeting subject to the inclusion of Councillor Bernadette Khan in the list of Members present at the meeting.

36/17 **Disclosure of Interests**

There were none.

37/17 **Urgent Business (if any)**

There were no items of urgent business.

38/17 **SEN Transport Update**

The Director of Commissioning and Improvement gave a presentation to the Committee which included an introduction to the Council's obligations on provision as part of its statutory service.

The Committee was informed that there had been a rise in budget versus spending gap between 2015-2018, with a £3million over spend in 2017/2018 which was attributed to the following external factors:

- Increase in children with Education, Health and Care Plans (EHCP).
- Increase in complexity of needs of children.
- Increase in children travelling across and outside of the Borough.

Officers informed the Committee that this was a regional problem, 26 out of 30 boroughs had experienced a budget overspend on SEN transport in 2016/2017. Croydon had been managing a portfolio of increase demand on services of 14.3% with increased costs of 19.1% against a budget reduction of £1.548million in 16/17 and 17/18. There had been a 40% increase in children with EHCP in the last three years and there had been tangible progress made in reduction of costs against increase of service users.

In order to maintain control and manage the risks associated with spending, the department had put in place strategies to address areas of focus which included:

- Working effectively with families
- Partnership with finance and robust financial monitoring
- Integrated working with adult social care
- Robust governance arrangements
- Working effectively with colleagues in Special Education Needs Department (SEND)
- Alternative travel arrangements

Future strategies had been put in place to increase control including:

- Continued review of travel policy
- Continued integration and partnership working across services
- Increased focus and review of high cost routes

Members questioned the work that had been carried out in the last three years to ensure that children with SEN are educated in the borough and the facilities available to families. Officers responded that there had been an increase in classroom provision in special schools and there was an ongoing programme for expansion of schools. There would be a free school opening in 2019 with 100 places for children with Autism. There was also a bid that had been put in to Croydon College to expand its facilities for 16-19 year olds.

In response to Members' queries on savings that had been made and what was being done to maintain the use of local provision, officers advised the Committee that there was a constant review of service providers to ensure that the best local provision was utilised. There had also been a mitigation of £1million per year through savings and efficiencies.

The Committee queried the model for reduction of financial risks. Officers informed Members that all Councils were working together to discuss the impact of government funding issues and how to manage the situation. It was acknowledged that it was problematic to develop working together as the needs of families were localised and individual to each borough. There was extensive work being carried out to encourage independence through the use of personal travel budgets, independent travel training and assisted technology.

The Committee Members commented that they would welcome detailed information on savings made.

RESOLVED: That

1. The content of the SEN transport update report be noted.
2. That further details of savings made be circulated to Members of the Committee.

39/17 **Appointments**

The Committee noted the content of the report and that the report had been circulated on the day of the meeting. The Committee specified that all reports be circulated in sufficient time to enable Members to make suitable recommendations.

Members commented that the appointment of the non-voting representatives for the Corporate Parenting Panel must follow a structured and ethical process of selection.

Members requested that details of non-voting representatives appointed to the Corporate Parenting Panel be circulated to the Committee.

RESOLVED: That

1. The revised composition and appointments to the Corporate Parenting Panel as detailed in paragraph 3 of the report be agreed and that authority to appoint named representatives be delegated to the Executive Director People in consultation with the Chair of the Corporate Parenting Panel;
2. The recent appointments made under either delegated powers or the Leaders' authority as detailed in paragraphs 4.1- 4.7 of the report be noted; and
3. That Full Council be recommended to make the appointments detailed in paragraph 4.8 to 4.9.
4. That details of non-voting representatives appointed to the Corporate Parenting Panel be circulated to the Committee.

40/17 **Local Government Ombudsman Report**

The Director of Adult Social Care and All Age Disability introduced the report which detailed the actions taken by the department following a complaint made by a service user to the Local Government Ombudsman (LGO).

As a result of investigative work carried out by the LGO, recommendations were made which were accepted by the Council and had been completed within the stipulated time scale.

The Committee learned that the family had taken this case to the LGO due to failings in continuity of care. The family had moved into the borough from Surrey and the department was not notified that the family had moved to Croydon.

The Committee was informed that the LGO was right to have taken on this case to highlight the failing of both Local Authorities. As a result, actions had been embedded into processes to prevent future failings that included the following:

- Review of procedure to ensure compliance with the Community Care Act
- Training and lessons learnt sessions for staff
- Extensive recruitment and retention programmes
- Focus on Customer Care
- Proactively working with families to ensure best outcomes
- Implementation of improvement plan
- Recruitment of permanent, qualified and experienced members of the Complex Care Panel

The Committee was advised that engagement with the family had been consistent and that the young person was being supported through the transition to adult services.

In response to a Member's query as to whether this case would have been picked up had it not been brought to the attention of the LGO, Officers advised that the case had come to their attention shortly before a complaint was made to the LGO and the Council had been partially supporting the family whilst fact finding was in process.

Moving forward the Committee was informed that there was a review register of all current cases. The focus was on improving caseloads, meeting compliance and working closely with all colleagues. Cases were being scrutinised and would continue to be scrutinised to ensure that needs were prioritised accordingly.

The Committee learned that prior to the changes to the Care Act, there had been flaws in continuity of care for service users moving in and out of boroughs, this had been a regional issue. The Care Act has set out and made clear the duties and obligations of Councils towards the care of service users. Authorities now actively shared information where necessary when families are moving around the country.

The Committee welcomed the update and commended the team for the actions that had been taken and the processes that had been embedded as a result of the lessons learned.

RESOLVED: That the Council's response to the Local Government Ombudsman report be noted.

The committee noted the content of the report.

RESOLVED: That

- 1 The schedule of Full Council meeting dates for 2018/2019 as detailed in paragraph 3.2 of the report be agreed;
- 2 The schedule of Cabinet meeting dates for 2018/2019 as detailed in paragraph 3.3 of the report be noted; and
- 3 The proposed schedule of remaining meeting dates for 2018/19 as detailed in Appendix 1 of the report also be noted.

42/17 **Grant Thornton Annual Audit Letter**

Jamie Bewick, Grant Thornton presented the Annual Audit Letter which summarised the key findings arising from the work carried out on the 2016/17 accounts.

Grant Thornton concluded that the Council's use of resources were satisfactory and that the arrangements in place to ensure economic efficiency were effective. The quality of financial statements were found to be good as they have been in previous years. The challenge for the next year would be to ensure that processes were more efficient in order to meet shorter reporting deadlines.

The Committee was informed that a response was being drafted to the objection received to the PFI initiative and once that had been shared the audit would be concluded for 2016/2017.

The Chair thanked the Grant Thornton representative for the work completed.

RESOLVED: That the summary of key findings arising from the work carried out for the period 1 April 2016 – 31 March 2017 be noted.

43/17 **Treasury Mid-Year Review**

The Head of Pensions and Treasury presented the report which provided a review of the activities up to September 2017.

The Committee was informed that performance in all areas demonstrated compliance with indicators set by Council. There had been a reduction in cash holdings to reduce treasury functions and there had been a generation of better return on cash investments against benchmarks. There was an expectation of additional rate increases in the coming period by the Bank of England.

The Chair thanked officers for their report.

RESOLVED: That

1. The contents of the report be noted; and
2. The continued implementation of the Council's Treasury Strategy Statement, Annual Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2017/18 by the Executive Director of Resources (Section 151 Officer) be endorsed.

44/17 **Internal Audit Update Report April to October 2017**

The Director of Governance provided an update on the work of the Internal Audit function. Members heard that based on the 13 finalised internal audit reports published so far this year, an overall **Satisfactory Assurance** level can be given as 62% of reports finalised to date received Substantial or Full assurance.

The Committee was informed that following the 20 September 2017 meeting of the General Purpose and Audit Committee where it was noted that level one recommendation follow ups were only at 60% completed, the completion record was now at 90%. Level one priority recommendations were always revisited until showing at 100% completion.

In response to Members' comments that the percentage of planned draft reports issued was low against the year to date target, officers advised that the contractor had confirmed resources were in place to ensure that planned audits were all undertaken by the end of the financial year as had been done in previous years.

Members queried the non-implementation of the recommendations from the 2015/16 Adoption audit. Officers responded that they were awaiting confirmation that the recommendations had been embedded in new processes within the service before formal sign off.

The Committee was further informed that the number of recommendations implemented in response to the 2014/15 audit of the Contract Management Framework had been lower than expected and that this was due to a number of changes in staffing in that area. A permanent Head of Procurement was now in place and good progress was being made in this area.

The Chair commented that there had been a total of seven recommendations raised in Substance misuse and there had been no response from the service to date. Officers advised that the director of Public Health would be invited to the next meeting to provide an update.

RESOLVED: That the Internal Audit Report for April 2017 – October 2017 be noted.

45/17 **Anti-Fraud Update Report April to September 2017**

The Head of Anti-Fraud presented to the Committee the activities of the team and informed the Committee that they were on course to meet their annual target on the number of successful outcomes.

Officers advised the Committee that they would continue to provide narratives in the reports presented to the committee by including case studies of the work that had been carried out. The Chair expressed that this was useful for the Committee and would be useful for new Members.

In relation to Members' queries as to whether the cases were in the public domain, Officers responded that with each case there had been a press release following successful legal action.

Officers were asked to provide an explanation to the other outcomes mentioned in the report such as cautions, dismissals and resignations. Officers explained that the Local Authority had powers to issue cautions to offenders and register them on a national database for three years. There were also instances where offenders could receive verbal and written warnings in internal disciplinary cases.

Monetary value was added to each outcome, though this was not always to seek financial recovery but in some instances related to recovery of property or the termination of a care package.

The Committee thanked the Officers for the work that had been completed.

RESOLVED: That the Anti-Fraud activity of the Corporate Anti-Fraud Team for the period 1 April-30 September 2017 be noted.

46/17 **Corporate Risk Register**

The Head of Insurance, Risk and the Corporate Programme Office provided the Committee with an update and informed Members that there had not been as escalation of any risks to red status since the last report was considered.

The Committee was informed that there had been a de-escalation to high amber of Emergency Accommodation and Affordable Housing risks due to the initiatives and preventative work that had been put in place to manage these issues.

RESOLVED: That the content of the Corporate Risk Register as at 7 December 2017 be noted.

47/17 **Exclusion of Public and Press**

This was not required.

The meeting ended at 7.44 pm

Signed:

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Date:

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