

AUDIT, BEST VALUE AND COMMUNITY SERVICES SCRUTINY COMMITTEE

MINUTES of a meeting of the Audit, Best Value and Community Services Scrutiny Committee held at Committee Room, County Hall, Lewes on 17 March 2015.

PRESENT Councillors Mike Blanch (Chair), John Barnes (Vice Chair), Carolyn Lambert, Richard Stogdon (substituting for Cllr Bob Standley) and Francis Whetstone

LEAD MEMBERS Councillor David Elkin, Lead Member for Resources.

ALSO PRESENT Becky Shaw, Chief Executive
Kevin Foster, Chief Operating Officer
Keith Hinkley, Director of Adult Social Care and Health
Cynthia Lyons, Acting Director of Public Health
Marion Kelly, Chief Finance Officer
Richard Grass, Assistant Director – Property
Matt Scott, Assistant Director – ICT
Russell Banks, Head of Assurance
Ola Owolabi, Head of Accounts and Pensions
Nigel Chilcott, Senior Audit Manager
Martina Pickin, Locum Public Health Consultant

Philip Johnstone, KPMG – for items 5 to 7

Charlotte Goodrich, KPMG – for items 5 to 7

Councillor David Tutt, Scrutiny Review Board Chair

Paul Dean, Member Services Manager

Martin Jenks, Senior Democratic Services Advisor

Bethan Hampson, Executive Officer BSD

Simon Bailey, Democratic Services Officer

41 MINUTES OF LAST MEETING HELD ON 18 NOVEMBER 2014

41.1. RESOLVED – to approve as a correct record the minutes of the meeting of the Committee held on 18 November 2014.

42 APOLOGIES FOR ABSENCE

42.1. Apologies for absence were noted from Councillor Jeremy Birch and Councillor Lawrence Keeley. It was noted that Councillor Richard Stogdon was attending as a substitute for Councillor Bob Standley.

43 DISCLOSURE OF PERSONAL INTERESTS

43.1 Councillor Mike Blanch declared a personal interest in Item 13, as a relative of one of the Beachy Head Chaplaincy Team, but he did not consider this to be prejudicial.

44 URGENT ITEMS

44.1 None notified.

45 EXTERNAL AUDIT PLAN 2014/15

45.1. The Committee considered a report by the Chief Operating Officer setting out the Council's external audit plan for 2014/15.

45.2. RESOLVED to note the report and its appendices.

46 EXTERNAL AUDIT PLAN FOR THE EAST SUSSEX PENSION FUND 2014/15

46.1. The Committee considered a report by the Chief Operating Officer on the external audit plan for the East Sussex Pension Fund 2014/15.

46.2. RESOLVED to note the report and its appendices.

47 EXTERNAL AUDIT REPORT ON GRANT CLAIM AND RETURNS CERTIFICATION FOR THE YEAR ENDED 31 MARCH 2014

47.1. The Committee considered a report by the Chief Operating Officer summarising the findings of the external auditor's grant certification work for the financial year 2013/14 in line with the requirements of the Audit Commission.

47.2. RESOLVED to note the report and its appendices.

48 INTERNAL AUDIT PROGRESS REPORT - QUARTER 3 (01/10/14 - 31/12/14)

48.1 The Committee welcomed a report by the Chief Operating Officer summarising the key audit findings, progress on delivery of the audit plan and the performance of the internal audit service during Quarter 3.

48.2 The Head of Assurance explained the training programme being developed for schools, and that he was confident the outstanding amber Performance Indicator, relating to overall delivery of the 2014/15 audit plan would be resolved by the end of the year.

48.3 The Committee discussed:

- The logistics of the schools audit, its 'randomness' together with how to ensure all schools have a regular audit
- The scale of P-Card use, and its usefulness in high volume/low cost transactions
- Patch and Release, and the use of specialist ICT auditors to review this area, and the use of category management and government frameworks in procuring suitable software and licences

48.4 RESOLVED – (1) to welcome the report and its appendices, and in particular the training programme for governors, head teachers and business managers; and

(2) congratulate the team on their Performance Indicators.

49 PROGRESS OF STAFF TRANSFERS AND LEAVERS ACTION PLAN

49.1. The Committee considered a report by the Assistant Director - ICT outlining the work being carried out to reduce the current partial assurance position of the Leavers and Transfers audit review.

49.2. The Assistant Director – ICT and Head of Assurance set out that the outstanding recommendations 1, 3 and 4 have been addressed and the associated risks removed and that the mitigating controls established by ICT would be sufficient to address the outstanding audit Recommendation 2.

49.3. RESOLVED to note the report.

50 UPDATED ANTI-FRAUD POLICY FRAMEWORK

50.1 The Committee considered a report by the Chief Operating Officer providing an update on the Anti-Fraud Framework.

50.2 In addition to the information outlined in the report, the Head of Assurance provided the following information in response to questions from the Committee:

- Training would be targeted at those who would most benefit from it, together with a more general awareness-raising campaign
- The scale of fraud in East Sussex was extremely difficult to estimate, given the potential ranges of people and sums involved.

50.3 RESOLVED (1) to note the report and support the appendices;

(2) to request that consideration be given to the role of Members, and the application of the policies to Members;

(3) to suggest the clarification that the policies were stand-alone policies, and to be considered as applying more widely than as anti-fraud measures only; and

(4) to request that any revisions be shared with the Committee, together with the Lead Member for Resources and the Chair of the Standards Committee.

51 STRATEGIC RISK MONITORING QUARTER 3

51.1 The Committee considered a report by the Chief Operating Officer summarising the current strategic risks faced by the Council, their status and risk controls and responses for Quarter 3.

51.2 RESOLVED – (1) to note the report and its appendices;

(2) to recommend that in respect of Risk 1 (Roads) there was a reputational risk in repudiating valid claims, and that emphasis should be put on the amelioration of an amended Performance Indicator in respect of timeliness of response to claims; and

(3) to observe that in respect of Risk 7 (Schools) the principal risks were not fragmentation but the potential reputational risk to the Academies out-performing maintained schools, and the lack of effective enforcement powers available to the County Council, should under-performance be identified.

52 SCRUTINY REVIEW OF THE DISPOSAL OF THE FORMER ST. ANNE'S SCHOOL SITE, LEWES

52.1 The Committee considered a report by the Chair of the Review Board which set out the key findings and recommendations from the review of the disposal of the former St Anne's School site in Lewes. The Chair thanked the Panel and the Scrutiny Officers, Paul Dean and Harvey Winder, together with other officers who gave evidence, and the members of the public who attended and gave evidence.

52.2. The Lead Member for Resources welcomed the report, and the Chief Operating Officer's response to the recommendations of the Review.

52.3. It was noted by the Committee that this was the first transfer of its kind undertaken by the County Council, and that lessons had been learned as a result of this valuable Review. Other key points of the discussion were:

- The need to engage with relevant local Members early in such a process in future
- The value of a lease arrangement in securing outcomes desired by the Council
- The establishment of a Management Committee, on which the Council will have a role, for the future operation of St Anne's

52.4. RESOLVED – (1) to thank the Chair of the Review Board, the Panel, officers who gave evidence, the public who gave evidence, and the support officers Bethan Hampson, Paul Dean and Harvey Winder;

(2) to endorse the thorough and well considered report of the Review Board.

53 SUICIDE PREVENTION: BEACHY HEAD INFRASTRUCTURE REPORT FINDINGS

53.1. The Committee considered a report by the Acting Director of Public Health which presented the findings of a report on suicide prevention at Beachy Head.

53.2. The Committee acknowledged the wide variety of interests surrounding Beachy Head, and discussed the "hard" and "soft" infrastructure changes that could be made to the site to address suicide prevention. These included:

- putting ditches around the existing car parks to deter people from driving over the edge
- fencing the cliff edge
- closing some car parks
- re-routing the road
- awareness campaigns and altering perceptions of Beachy Head
- mental health triage and broader strategies
- training taxi and bus drivers to identify potential suicides and raise alerts
- presence of police or volunteer groups on site
- relocating Samaritans contact information
- providing a free phone helpline number
- provision of better phone coverage, either more phone boxes or a stronger mobile signal

53.3 The Committee requested data on rates of suicide in East Sussex, compared with national statistics, which officers will provide. The Director of Adult Social Care and Health highlighted that the report was the starting point for the development of a strategy to deliver the greatest impact for the available investment, in order to address an outlier in terms of Public Health indicators for which the County Council was now responsible. The Chair asked that the work of the Beachy Head Chaplaincy Team be better acknowledged, and that statistics be given on the number of suicides averted on site by BHCT and the police (which he understood to be circa 300 per annum). More information on the Mental Health Triage project joint with the police would be helpful.

53.4 The Committee discussed the Safer Streets project, referred to in Appendix A of the report, in the light of the findings of the Scrutiny Review conducted in 2006. The following were raised as potential avenues for investigation:

- the cost/effectiveness of engineering works and shared spaces to reduce speeds
- how to influence driver behaviour, to reduce rates of KSI

53.5. RESOLVED to (1) request an update on the Beachy Head Infrastructure Report in six months time;

(2) support changes to the “soft” infrastructure at Beachy Head, to demonstrate the Council’s commitment to addressing the issue; and

(3) establish a joint Board with the Economy, Transport and Environment Scrutiny Committee to look into the Safer Streets project.

54 USE OF THE PUBLIC HEALTH GRANT UNALLOCATED RESERVE TO PROVIDE ONE-OFF FUNDING

54.1. The Committee considered a report by the Acting Director of Public Health which set out the proposals for spending the unallocated Public Health Grant reserve, with projects identified with reference to specific Public Health Outcome Framework indicators.

54.2. The Committee expressed concern that such a large unallocated reserve (£7million) was being spent without a Lead Member decision or reference to Scrutiny. The Director of Adult Social Care and Health and Chief Finance Officer explained that financial regulations and the Council’s Standing Orders delegate authority to Chief Officers to allocate any underspends. The Director of Adult Social Care and Health stated that the initiatives proposed were designed to deliver against the Council’s priority outcomes and reduce demand for services. He confirmed that the proposals were at an early stage of development, and that other suggestions would be considered.

54.3. The Chief Executive set out the process undertaken by Chief Officers with the Acting Director of Public Health to put forward plans to address areas of significant under-performance against national indicators. The proposals have been carefully developed so that they take into account the original grant conditions and reflect the priorities derived from the Health and Wellbeing Strategy, Joint Strategic Needs Assessment (JNSA), and Public Health Outcomes Framework (PHOF). The one-off projects have been selected to invest in areas where performance against the Public Health Outcomes Framework in East Sussex is significantly worse than for England as a whole.

54.4. The Committee discussed Community Resilience, to which a large proportion of the underspend was targeted, and were informed of the Member Reference Group established in response to Councillor Ungar’s recent County Council motion on Loneliness. The Committee was also referred to the Public Health Portfolio Plan and the Director of Public Health’s Annual Report, and the work of the Health and Wellbeing Board.

54.5. RESOLVED to (1) note the report; and

(2) request further updates on the progression of the proposals, to ensure Scrutiny input and assessment of value for money.

55 UPDATE ON ATRIUM PROPERTY ASSET MANAGEMENT SYSTEM AND RUNNING COSTS OF COUNCIL BUILDINGS

55.1. The Committee welcomed a presentation on the Atrium Property Asset Management System (PAMS). A copy of the presentation is included in the Minute Book.

55.2. The Assistant Director – Property highlighted the “Concession” approach the Council is building towards, and that Surrey County Council use the same management system.

55.3. RESOLVED to (1) support the long term ambition to adopt the corporate landlord model; and

(2) request a further update on progress in six months time.

56 RECONCILING POLICY, PERFORMANCE AND RESOURCES 2015/16

56.1. The Committee considered a report from the Chief Executive which summarised the Committee’s input to the RPPR process and invited suggestions for improving Member engagement. The Chief Executive set out that a new process for developing the three year Medium Term Financial Plan was being considered, in the light of the scale of the challenges ahead.

56.2. RESOLVED to (1) establish a standing RPPR Board, consisting of Councillors Birch, Blanch, Standley and Whetstone, to monitor the process throughout the year; and

(2) focus initially on the Library Service and Communications.

57 SCRUTINY WORK PROGRAMME

57.1. The Committee considered a report by the Assistant Chief Executive setting out the Committee’s planned programme of work for the forthcoming year.

57.2. RESOLVED – (1) to note the work programme;

(2) (in addition to work requested during previous items) to agree the report on the Review of the Annual Governance Report and Statement of Accounts be considered in July.

58 FORWARD PLAN

58.1. The Committee considered the Forward Plan for the period to 30 June 2015.

58.2. RESOLVED – to note the Forward Plan.

59 ANY OTHER NON EXEMPT ITEMS PREVIOUSLY NOTIFIED UNDER AGENDA
ITEM 4

59.1 None.

60 NEXT MEETING

60.1 The next meeting of the Committee will be held on **17 July 2015**.

(The meeting ended at 1.05 pm)

COUNCILLOR MIKE BLANCH
CHAIR