

Notes on the audit scrutiny committee 11/06/15

There were around twelve councillors present at the meeting including Cllr Hackett who is the chair of the committee. There were a few matters discussed before the meeting turned to the agenda proper. The main point was the concern that a number of recommendations made by previous meetings of the committee had not been picked up effectively. It was recommended that this be followed up with management and that this be made a standing point on future agendas. Cllr Watson seemed to be a bit concerned that this would possibly reduce the scope of the committee. She was reassured that it wouldn't. She was also concerned that the child services report is supposed to be received by the committee every month but by the next meeting the gap between reports will be three months. The regular briefing on child services was put in place after the service received a rating of "inadequate" from OFSTED. It is a bit concerning that a monthly report is not being received.

A councillor (which I unfortunately didn't catch the name of) suggested that reports on the equalities framework be discussed at the committee; other councillors thought that equalities would be better suited to being discussed in HR.

The meeting then moved to agenda. Councillor Hackett declared a non-pecuniary interest in "Northwood" (? – unsure if this is the correct name) (he is on the board).

Item 5 the internal audit plan was then discussed. There was a run through of the report. (I am not the best judge of whether the audit plan seems appropriate as I do not have expertise in this area). After the summary councillors asked questions including, what would be done with the projected extra staff? Was "Children and Families" still covered properly even though the amount of auditing time had been cut? The report notes high risk and medium risk points – are there low risks as well and how are low risks tested? The answers were: the extra staff would mostly be deployed in counter fraud and ICT, Children and Families would be covered as most of the decrease was because this now being covered in contracts, yes there are low risk things and these are sometimes assessed especially if something changes in the service.

Item 6 the treasury annual overrun account was then discussed. One thing to note here is that the council has moved its accounts from the Co-op to Barclays. The accounts are in the process of transferring and are being simplified. While one can understand the move in terms of possible security grounds I wonder how this fits in with the Council wanting to invest ethically.

Item 7 the annual governance statement was the next item on the agenda. The chair welcomed the report noting that it was lighter and more digestible than last time; social media option would be explored to promote the report. (I'm sure it will be a bestseller if properly promoted). The report notes that electoral registration is a concern at the moment due to the roll-out of the individual elector registration and the upcoming mayoral and EU referendum votes. However, the report seems to be broadly positive and seems to assume that the council's efforts in voter registration were the only factor in insuring that the drop on the register of three thousand wasn't higher.

There was then discussion as to which scrutiny committees would be involved in the new community strategy, the Manchester Strategy, which will replace the Manchester Way. The committee was assured that while the finance committee would be involved in scrutiny there

would be an opportunity for other committees to do so as well and that this issue would be raised in a meeting between heads of scrutiny committees and the executive in July.

The meeting moved onto item 8 the annual assurance report. A number of points were raised in regards to children and adults services in light of both Winterbourne View and the recent inadequate OFSTED rating of Child Services. The main concerns were over the training of staff in the department and the number of staff. The report itself reported that training needed to be substantially improved. Management had developed plans to deal with this but due to financial pressures their ability to do this had been restricted. There was also a discussion as to how this was being looked at by the Learning Disability Task and Finish group and as to who was the chair of this group. Cllr Watson raised the issue as to why Communal and District Heating Prepayment Schemes were still an issue and not been managed properly. I didn't hear much of a response on this issue. Cllr Watson also raised concern over the limited assurance rating for Food Health. The officer's response was that the department had been hampered by budget cuts and that this had resulted in the department being slow on checking low priority businesses. There then followed a discussion about Food Standards. The point was made that businesses which became known to one arm of the council for an infringement were likely to be breaking other rules and that a 'joined up' approach was the best way to combat this.

Item 9 Treasurer Accounts was then raised. Cllr Watson noted her amusement in regards to the language of the report. It was noted that the estimated value of 'heritage assets' had increased substantially. This incited many councillors to perhaps jokingly call for the sale of the assets. There were some questions over carbon allowances. The amount needed by the council had stayed the same despite a drop in carbon because street lighting was now measured as being part of carbon emissions.

There was then a presentation by Grant Thornton on item 10 their audit plan. The main issue on this item was as to how the firm will be able to achieve a 25% reduction in their fee without a drop in quality. The Grant Thornton representatives said that the ending of the Audit Commission accounted for some of this reduction and the rest would be covered by efficiencies. One wonders what this actually means.

I was then asked to leave as the agenda moved to the annual fraud report. Before the meeting I had made inquiries as to why this was not open to the public. I was told that it was because it was confidential. When I asked about the nature of what made the entire contents of the report confidential I was told that no more could be said because it was confidential. On this occasion I did not appeal the decision as I am not in a yet in a position to make a clear judgement as to whether this seems reasonable.

Overall I have to admit that as this is not an area in which I am fluent in, and that this was my first time attending, I felt I made limited ground in covering this committee. I encourage anyone with the time to read the assurance report or pages 21 to 38 of the annual governance report which are both available on the council's website. If you only have limited time and/or patience then merely read the last page of the internal audit plan. To my eyes its 'Key showing how audits in the plan link to the Council's Corporate Plan priorities and Corporate Risk Register', is the highlight of all of these documents. The reports themselves are probably more interesting than any points raised during the committee.

The above is my own honest assessment of the committee. I have omitted a certain amount of detail so as not to make this document compete in length with Ulysses.

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