



Audit Committee

Date: Monday, 3 September 2018

Time: 10.00 am

Venue: Council Chamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

There will be a private meeting for Members only at 9.15am in Committee Room 6 (Room 2006), 2nd Floor of Town Hall Extension. . A Town Hall pass is needed to reach this room.

Access to the Council Chamber

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Membership of the Audit Committee

Councillors - Ahmed Ali (Chair), Connolly, Lanchbury, Russell, A Simcock, Watson, Barker and Downs

Independent Co-opted Members – Mr S Downs and Dr D Barker

Agenda

- 1. Urgent Business**
To consider any items which the Chair has agreed to have submitted as urgent.
- 2. Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.
- 3. Interests**
To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.
- 4. Minutes** 5 - 12
To approve as a correct record the minutes of the meetings held on 31 July 2018
- 5. ICT Assurance Update: Disaster Recovery Planning and Public Service Network** 13 - 20
The report of the Chief Information Officer is enclosed
- 6. Adults Assurance update** 21 - 28
The report of the Director of Adult Services is enclosed.
- 7. Children's Services Audit Recommendations** 29 - 34
The report of the Strategic Director of Children's Services is enclosed.
- 8. Disclosure & Barring Service (DBS) Checking Arrangements** 35 - 40
The report of the City Treasurer and the Head of Audit and Risk Management is enclosed.
- 9. Annual Complaints and Enquiries report 2017/18** 41 - 62
The report of the Complaints Manager is enclosed.
- 10. Work Programme and Audit Committee Recommendations Monitor** 63 - 74
The report of the Governance and Scrutiny Support Unit is enclosed.

Information about the Committee

The Committee is responsible for approving the Council's statement of accounts; considering the Audit Commission's Annual Audit and Inspection Letter and monitoring the Council's response to individual issues of concern identified in it. The Committee also considers the Council's annual review of the effectiveness of its systems of internal control and assurance over the Council's corporate governance and risk management arrangements, and engages with the external auditor and external inspection agencies to ensure that there are effective relationships between external and internal audit.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to the strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public are asked to leave.

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Smoking is not allowed in Council buildings.

Joanne Roney OBE
Chief Executive
Level 3, Town Hall Extension,
Albert Square,
Manchester, M60 2LA

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This agenda was issued on **Thursday, 23 August 2018** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 6, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA.

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Audit Committee

Minutes of the meeting held on 31 July 2018

Present:

Councillor Ahmed Ali - In the Chair
Councillors Connolly, Lanchbury, Russell, A Simcock and Watson

Independent Co-opted member: Mr S Downs
Independent Co-opted member: Dr D Barker

Also Present:

Stephen Nixon, Grant Thornton
Simon Livesey, Grant Thornton
Karen Murray, Mazars

Apologies: Mark Heap, Grant Thornton

AC/18/35 Urgent Business

The Chair reported that he had agreed to the submission of an item of urgent business relating to the replacement of the "Audit Findings Report" Minute number AC/18/38.

AC/18/36 Minutes

The minutes of the Audit Committee held on 11 June 2018 were submitted for approval.

Decision

To approve the minutes of the meeting held on 11 June 2018 as a correct record subject to the inclusion of Councillor Connolly in the list of those present at the meeting.

AC/18/37 Annual Statement of Accounts 2017/18 and Letter of Representation

The Committee considered the report of the City Treasurer that summarised the amendments that had been made to the Annual Statement of Accounts following their audit by the Council's External Auditors, Grant Thornton. The report included a copy of the letter of representation from the Council to its External Auditors (Appendix 1 of the report) and the Committee were requested to approve and acknowledge the letter before it was signed by the City Treasurer and Chair of Audit Committee.

The Committee was informed that no changes had been made to the Single Entity accounting statements. The group accounting statements had been amended to reflect the audited accounts of Manchester Airports Holdings Ltd (MAHL) which had not been available when the draft group accounts had been submitted to the Council's external auditors on 31 May. .

The Committee thanked the External Auditors and the Council's Accounts Team for the work they had undertaken in producing the Statement of Accounts for 2017/18 within the revised, earlier timescales.

The Chair invited questions from the Committee.

Members referred to page 21 of the report and officers were requested to refresh the descriptions of individual committee functions to provide further detail. The Chair suggested that the description of Audit Committee functions include the words "and external audit verification".

Decisions

1. To note the amendments made to the annual accounts since they were reported to Audit Committee in June 2018.
2. To approve the revised annual accounts including the accounting policies contained within them.
3. To approve and acknowledge the letter of representation, as detailed within Appendix 1 of the report submitted, which will be signed by the City Treasurer and the Chair of the Committee (Councillor Ahmed Ali).
4. To request officers to refresh the description of the core functions of Council committees, as detailed in Appendix 2 of the report, and include this within the 2018/19 Statement of Accounts.

AC/18/38 Audit Findings Report

The Committee considered the amended report of the Council's External Auditors, Grant Thornton that provided a summary of the key issues arising from the statutory audit of the Council's financial statements for the year ending 31 March 2018.

The Committee was informed that the external audit process did not identify any issues of concern or risk and an unqualified opinion on the Council's accounts would be issued on the accounts. The External Auditor also noted the high quality of the draft accounts and acknowledged the support of the Finance Team in responding to issues raised. It was reported that adjustments had to be made to the group accounts following the receipt of the audited Manchester Airports Holdings Limited accounts but that no issues of concern were raised by the External Auditor. The External Auditor reported that the Value for Money conclusion would be unqualified as the Council had demonstrated proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The Committee noted that the External Auditors

had not needed to use any statutory powers and the certificate of completion of the audit would be issued during August 2018 when the audit of the Whole Government Accounts (WGA) return had been finalised.

It was reported that in line with Ethical Standards, Grant Thornton would be replaced by Mazars as the Council's external audit provider having acted in this role for ten years.

The Chair referred to the production of the Audit Findings report and reminded the Council's new external auditors that future reports should conform to the agreed Council's standards for documents and that all text should be Arial font, size 12.

Decision

1. To note the report submitted.
2. To note the comments and questions raised.

AC/18/39 Internal Audit Assurance Report

The Committee considered the report of the City Treasurer and the Head of Internal Audit and Risk Management that provided a summary of internal audit work undertaken and opinions issued in the period April to June 2018.

The Chair invited questions from the Committee.

A committee member referred to the Public Services Network (PSN) (paragraph 6.3 of the report) and asked if there were any issues arising from the Council's Code of Connection submission to the Cabinet Office. Reference was also made to Disclosure and Barring Service (DBS) checks (paragraph 6.4 of the report) and officers were asked if a timescale had been included for the improvement actions identified.

It was reported that no specific concerns had been raised by Cabinet Office in response to the Council's Code of Connection submission. The issue of PSN would be included within the Risk Review Item on ICT Disaster Recovery to be considered by the Committee at the meeting in September 2018. The Committee was informed that on the issue of DBS, substantial progress had been made and agreement had been made by the Senior Management Team that the Director of Human Resources and Organisation Development is now the Council's Lead Counter-signatory. In response to questions raised the Head of Internal Audit and Risk Management undertook to provide members of the committee with a briefing note to explain the functions, roles and responsibilities regarding Council's framework for DBS checks.

A member expressed concern regarding the findings of the Manchester Health and Care Commissioning audit of governance arrangements and asked officers if there would be further work to address the issues raised. Reference was also made to the concerns raised on leases following an audit of Income and Debt Management of the Arndale Market (paragraph 7.2 of the report). Officers were asked to provide more

information to the Committee.

The Committee was informed that there would be follow up audits during 2018/19 on Manchester Health and Care Commissioning that will focus on the Financial Framework and Operational Plan. Further work on governance arrangements of MHCC will take place as part of a broader review of the partnership governance including the flow of information between partners and decision making arrangements. Updates would be provided to the Audit Committee in future reports, including progress on actions taken to respond to audit recommendations.. The issue of lease arrangements arising from the audit of the Arndale Market related to the commercial terms of leases on empty units that present the Council with a financial challenge. The follow up action included reviewing the terms of the unit leases in order to seek to reduce the financial risk to the Council.

A member referred to pothole repairs and the use of jet patching and asked officers to confirm whether jet patching equipment had been purchased by the Council to undertake this work.

(Following the meeting it was confirmed that the Council's Highways Service had engaged two companies to undertake jet patching work within the City. This had been procured and was arranged on a day rate to cover the cost of plant, labour and materials. The Council did not buy any separate plant or equipment for jet patching work.)

A member referred to the levels of assurance and the number of moderate assurance opinions given following audits. Officers were asked when the Internal Audit report would be submitted for consideration to provide an executive summary of audits. It was reported that new styles of audit reports would be produced by the autumn, it was proposed that the reports would include reference to assurances over lower risk areas and that levels of assurance may reduce from 5 to 4 without a 'moderate' category.

A member asked why the Council was providing a Data Protection Officer service for schools in view of the pressures on existing resources and was the Council at risk of legal challenge if a data breach took place.

It was reported that the service provided did not impact on the Manchester audit plan and was designed to be self-funding. The service offered had robust processes and this would help to mitigate the Council's position against legal challenge.

Decision

1. To note the report.
2. To request that a briefing note be provided for members of the committee to explain the functions, roles and responsibilities regarding Disclosure and Barring Service checks.

AC/18/40 Outstanding Audit Recommendations

The Committee considered the report of the City Treasurer and the Head of Internal Audit and Risk Management that summarised the current implementation position and arrangements for monitoring and reporting internal and external audit recommendations.

The Audit Committee were invited to consider the level of assurance and information provided in respect of ICT disaster recovery and whether the Chief Information Officer be invited to report to the September Committee meeting on the progress in addressing disaster recovery risks.

The Chair invited questions from the Committee.

Reference was made to the outstanding recommendations concerning the Multi Agency Safeguarding Hub (MASH) (page 20, Appendix 2 of the report). A member expressed concern on the use of dip testing to monitor response times on urgent referrals and requested that the Director of Children's Services attend the meeting of Audit Committee in September to provide an update on the recommendations and respond to members' questions.

With reference to paragraph 3.4 of the report, a member requested that an update on ICT Disaster Recovery also provide further information on the Public Services Network (PSN) and be submitted to the September meeting of the Committee.

Members also requested that a Risk Item report be presented to a future meeting of the Committee in response to concerns expressed relating to the North West Foster Care Framework and the Multi Agency Safeguarding Hub and include details of formal and informal work involved.

Decision

1. To note the report submitted.
2. To note the comments made on the report.
3. To request that a report is submitted to the September meeting of the Audit Committee to provide an update on ICT Disaster Recovery including the three recommendations not taken forward and to provide further information on the Public Services Network (PSN).
4. To request that a Risk Item report be presented to a future meeting of the Audit Committee in response to concerns expressed relating to the North West Foster Care Framework and the Multi Agency Safeguarding Hub and to include details of any formal and informal work involved.

AC/18/41 Work Programme and Audit Committee Recommendations Monitor

The report of the Governance and Scrutiny Support Unit which contained responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

Members considered that items for consideration at the September meeting of the committee and suggested that items be moved to the October meeting relating to governance issues (Register of Significant Partnerships and Contract Management and Governance).

In noting that a training session had been arranged for the October meeting of the Committee, the City Treasurer undertook to examine the scheduled items within the Work Programme.

Decision

To note that the Work Programme will be updated for the next meeting of the Audit Committee.

AC/18/42 Exclusion of the public

A recommendation was made that the public be excluded during consideration of the next item of business.

Decision

To exclude the public during consideration of the following item which involved consideration of exempt information relating to the financial or business affairs of particular persons and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

AC/18/43 Annual Counter Fraud report (Public Excluded)

The Committee considered the report of the Head of Internal Audit and Risk Management that provided a summary of the anti-fraud arrangements and investigation work undertaken during 2017/18, with a particular focus on the work delivered by Internal Audit.

In considering the report the Committee was assured over the Council's corporate governance and risk management arrangement, the control environment and the associated anti-fraud and anti-corruption arrangements based on the information provided within the report submitted.

Decision

1. To note the report submitted.

2. To endorse the Counter Fraud Strategy.

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**Manchester City Council
Report for Information**

Report to: Audit Committee - 3 September 2018

Subject: ICT Assurance Update: Disaster Recovery Planning and Public Service Network

Report of: The Chief Information Officer

Summary

In October 2017 Audit Committee were provided with an update on plans to achieve ICT Disaster Recovery (DR) capability for the Council. Members requested that a further update be provided to Committee as this work progressed. Work is underway to establish the DR capability by the end of September 2019 and this report sets out the associated approach and timescales.

This approach means that three Internal Audit recommendations relating to DR are no longer deemed relevant; as they will be superseded by the new solution. This report sets out the context for this proposal.

Audit Committee on 31 July confirmed that the DR report should also include an update on actions being taken in respect of access to the Public Service Network (PSN). This update is set out in the report.

Recommendations

Audit Committee are asked to consider the assurance provided by the update report.

Wards Affected: All

Contact Officers:

Name: Bob Brown - Chief Information Officer
Email: bob.brown@manchester.gov.uk
Telephone: 0161 234 5998

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- DR Report to Audit Committee October 2017
- Outstanding Audit Recommendations report to Audit Committee July 2018

- ICT Update Report to Scrutiny Committee July 2018

1. Introduction and Background

- 1.1. Disaster recovery (DR) and business continuity planning are integral parts of the overall approach to risk management. Since all of risks cannot be eliminated, organisations implement disaster recovery and business continuity plans to prepare for potentially disruptive events.
- 1.2. Both processes are equally important for the Council because they provide detailed strategies on how services will continue to operate during severe interruptions and in the aftermath of major incidents and disasters. At present the Council has no formal disaster recovery capability and a programme of work is underway to address this issue to ensure systems and services are available.
- 1.3. A report to Audit Committee in October 2017 set out the approved strategy to develop a disaster recovery capability; and at the same time to improve the underlying resilience of the Council's ICT infrastructure to help minimise the risks of interruptions and incidents.
- 1.4. Along with resilience and disaster recovery, ICT security is also a key risk to any large organisation. One of the ways in which the Council's ICT security arrangements are reviewed and assured is through a programme of ongoing Public Services Network (PSN) compliance that is led by the Cabinet Office. This enables the Council to access the PSN which helps public sector organisations work together, reduce duplication and share resources.
- 1.5. This report update Audit Committee on progress to date in respect of DR and PSN.

2. Data Centre Programme Update

- 2.1. The overall objective of the Data Centre (DC) Programme is to ensure high availability of critical business applications, services and ICT infrastructure. The programme will remove single points of failure within ICT infrastructure through the delivery of a resilient and robust data centre solution for the Council. The programme is based on the operation of services from two active data centres rather than a 'traditional' model of a primary and back-up data centre. This model means that each data centre will always be active and in the event of interruption or disaster at one, the other centre will act as an almost immediate failover solution.
- 2.2. The programme is made up of three projects:
 - Core Infrastructure Refresh (delivery phase)
 - Network Design and Implementation (procurement phase)
 - Data Centre Facilities and migration (build phase).
- 2.3. The DC programme also includes the removal of the current manual telephony failover to Salford City Council's Data Centre; and will 'lift and shift' the current telephony solution from Salford and Sharp in to the new data centres whilst the procurement of a new unified telephony solution is underway. The DC

programme is now in the delivery phase and services are expected to be operating from the two new data centres by September 2019.

- 2.4. The contract with the new data centre facility provider, UKFast was signed on 2 July 2018. Council ICT services will transition from the Sharp data centre into two separate disaster recovery (DR) equipped data centres within Manchester that the Council will rent as a managed service facility. Council services will be delivered from the two 'active:active' data centres with DR capability for critical services and applications. In the new design if a single data centre becomes unavailable, critical systems will be restored in the second data centre (if not already running from there).
- 2.5. The Core Infrastructure Refresh Project is in the delivery phase and progressing well. All virtual servers will be running on new technology by October 2018 in the Sharp Data Centre, providing greater resilience prior to the move to the new data centres. The new infrastructure will replace existing old technology, including storage and backup solutions and will be split across the two new data centres delivering high availability and DR capability for critical applications and services. The migration of live environments are well underway and on track to migrate by October 2018.
- 2.6. This approach will result in two active data centres with significantly improved resilience and recovery times. ICT will also look to implement infrastructure and services in such a way that operational incidents are mitigated with minimal service disruption where possible.
- 2.7. This however does not preclude all parts of the Council from having business continuity plans in place and tested. ICT have worked with Internal Audit and Risk Management to ensure that business continuity plans remain current and fit for purpose.
- 2.8. The Data Centre programme is dependent on network connectivity being in place before the migration of IT services and final decommissioning of the Sharp Data Centre. The new network design, will build in resilience, as the two new data centres will be linked and thus appear to users as one. The high-level design and tender specification was signed off by ICT architecture teams in late July. ICT will be utilising the Crown Commercial Services Framework to procure the necessary technical infrastructure, connectivity and professional services. Contracts are expected to be in place by the end of 2018.
- 2.9. The new core network will be delivered from both new data centres, allowing servers and applications to run out of either - underpinning the disaster recovery capability provided by the new core infrastructure and storage and backup solutions. Both new data centres are located in the Manchester area providing extremely low latency network connections. The planned network will enable flexibility with regards to the placement of infrastructure, services and applications across the two data centre facilities, allowing for proactive protection of critical services, like SAP and disaster recovery capability (quicker restoration of services).

- 2.10. Significant planning and discussions with business colleagues is already underway in order to help minimise operational impact. The programme team has established a Programme Steering Group, chaired by the CIO which will oversee all aspects of the programme. The Steering Group reports into the monthly ICT Board and on to Senior Management Team as appropriate.

3. Agreed Audit Recommendations

- 3.1. In the Outstanding Audit Recommendations report to Audit Committee July 2018 the Head of Audit and Risk Management reported that three recommendations had been outstanding for up to six months and related to ICT Disaster Recovery. These recommendations were agreed in a report issued in June 2017 and related to different elements of developing a disaster recovery plan, based on the current Sharp Data Centre.
- 3.2. The three recommendations not fully addressed were:
- To complete a Business Impact Assessment (BIA) of key IT services, systems and applications and agree Recovery Time Objectives / Recovery Point Objectives and specific data backup and recovery requirements (such as priorities) for each system.
 - To undertake a cost / benefit exercise to identify the options around the encryption of tape based backup data.
 - To ensure disaster recovery arrangements are tested on at least an annual basis, following implementation of the DR solution and creation of the DR plan.
- 3.3. Some actions have been taken to respond to these risks and recommendations but it is not proposed to conduct further work and allocate resources to these actions as the focus is now on completing the DC Programme rather than implement what would now be short term interim measures. ICT do have an agreed list of key ICT services and systems that would be prioritised in the event of incident or disaster and have tested DR arrangements on an ongoing basis through real incidents; including loss of service for example as was suffered during a power outage earlier this year.
- 3.4. The new Data Centre Programme as described above moves away from the current dependence on the Sharp Data Centre to twin active data centres. As such it is no longer considered cost effective to develop and test a full disaster recovery plan based on current arrangements and ICT consider it is appropriate to accept the risks highlighted in the audit report in advance of the proposed go-live of new arrangements.

4. PSN

- 4.1. The Public Services Network (PSN) is the UK government's high-performance network, which helps public sector organisations work together, reduce duplication and share resources. The PSN compliance process exists to provide the PSN community with:

- confidence the services that the Council use over the network will work without problems;
 - assurance that Council data is protected; and
 - the promise that if things do go wrong that the Council can quickly put it right.
- 4.2. PSN compliance is an ongoing process and demonstrates that the Council's security arrangements, policies and controls are sufficiently rigorous and is overseen and approved by the Cabinet Office. This programme of work is overseen by a Programme Steering Group and reports through to the ICT Board and to Senior Management Team where appropriate.
- 4.3. ICT report monthly to the Cabinet Office by written reports and follow up communication to maintain constant dialogue. Working in conjunction with their PSN assessor, the reporting is focused around the removal and decommissioning of all unsupported operating systems (specifically Microsoft (MS) Server 2003). There are also a number of other systems defined as 'Obsolete Platforms' that are also being decommissioned.
- 4.4. Following the impact of a number of high profile cyber attacks on the public sector over the past twelve months there has been a more stringent application of compliance controls by the Cabinet Office. This resulted in the Cabinet Office being unable to renew the Council's PSN certification until there has been a significant reduction of dependency on MS Server 2003. The Council and Cabinet Office have continued to work collaboratively and it is noted that there has not been any operational restrictions imposed and there is no current impact for users or our partners, including DWP. This will continue so long as the Cabinet Office see regular, positive progress.
- 4.5. A plan and approach to strengthen current arrangements, further reduce risks and remove unsupported operating systems was developed and approved by SMT in March 2018. These arrangements include the following:
- A plan of decommissioning MS Servers and other obsolete platforms. As reported to the Cabinet Office in July there are 40 MS Server 2003 servers remaining - a decrease of 86 since March 2018. When ICT started the decommissioning exercise, 50% of the ICT estate was on old technology and this number has reduced to around 4%. The plan will reduce the total MS Server 2003 to single figures by the end of September 2018.
 - Progressing a current procurement of licenses for an application patching utility that integrates with the current solution. This will address inconsistencies with patching of third party applications identified in the annual IT health check report.
 - Continuing to perform health checks in the form of internal and external penetration testing by an independent third party (NCC Group). The results of these tests help highlight areas for further action as above and contribute to the submission to Cabinet Office for PSN accreditation.

- Contracting with a local third party specialist who monitors potential threats and provides on-site and remote resources that oversee the security of the ICT infrastructure.
 - Creation of a new role in ICT that reports direct to the CIO. The postholder will be responsible for establishing and maintaining the enterprise vision, strategy and programme to ensure information assets and technologies are adequately protected. They will direct ICT colleagues in identifying, developing, implementing and maintaining processes to reduce risks, respond to incidents, establish appropriate standards and controls, manage security technologies, and direct the establishment and implementation of policies and procedures. Supported by a small team, this individual will regularly liaise with the Core Directorate Senior Information Risk Officer (DSIRO), Tom Powell and take over as the ICT representative at Corporate Information Assurance and Risk Group (CIARG).
- 4.6. The plan and approach means that ICT constantly evolves its technology and processes in line with best practice and GDPR legislation; this is important in an environment where PSN certification is achieved for the Council by ICT working to industry best practice.
- 4.7. ICT anticipate being able to resubmit the Council's PSN Code of Connection in November 2018.

5. Conclusion and Recommendations

- 5.1. Audit Committee are asked to consider the assurance provided by the update report.

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**Manchester City Council
Report for Information**

Report to: Audit Committee - 3 September 2018

Subject: Risk Review Item: Adults Assurance Update

Report of: Director of Adult Services

Summary

During 2017/18 the Internal Audit programme included audits across adults services' activities and four of these audits resulted in limited assurance opinions. A report was presented to Audit Committee in March 2018 by the Executive Director Strategic Commissioning and Director of Adult Social Services, summarising the issues from these audits and planned actions to address issues raised.

The Committee agreed that further assurance was required in respect of actions underway and proposed to address the concerns raised. This report provides the latest update on progress.

Recommendations

Members are requested to consider and comment on the assurance provided in response to the limited assurance opinions.

Wards Affected: All

Contact Officers:

Name: Bernadette Enright
Position: Director of Adult Services
Email: bernadette.enright@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Documents used in the development of the report include:

- Audit Committee: March 2018: Internal Audit Annual Audit Opinion 2017/18.
- Audit Committee: March 2018: Adults Assurance Update

1. Introduction

- 1.1. During 2017/18 the Council's Internal Audit Service issued reports in four areas relating to adult services with limited assurance opinions:
 - Transition: Children to Adults
 - Disability supported accommodation services, Quality Assurance
 - Homecare Contracts
 - Client Financial Services
- 1.2. An assurance update on actions being taken to address risks in these areas was presented to Audit Committee by Executive Director Strategic Commissioning and Director of Adult Social Services on 22 March 2018. The Committee agreed that it required a further update to be provided by Adult Services at a future Committee meeting to confirm actions taken to address the concerns raised.
- 1.3. The key issues raised from the four audit reports and an update on actions being taken in response to these are set out in sections 2-5 below. Section 6 confirms the overall approach to governance of risk and issues in the directorate to provide Committee with assurance over arrangements in place to track and implement agreed actions.

2. Transitions

- 2.1. A report on the process of transition was finalised on 15 February 2018. This provided limited assurance that effective arrangements were in place to support young people transitioning from Children's to Adults' Services.
- 2.2. Service management had identified that there were issues with some of the processes in relation to transitions and had commissioned a project manager to help identify where improvements could be made, the outcomes of which fed into a work stream development report. However, due to the volume of work the team were dealing with, the implementation of actions identified had not been followed through. This was reflected in the audit findings which were as follows:
 - Action was needed to confirm the vision and strategy for delivery of transition responsibilities and to develop and then to share a transition offer and plan for delivery.
 - Governance arrangements should be revised to support delivery of the vision and strategy once agreed.
 - Action should also be taken to confirm key roles and responsibilities as well as establishing policy and procedure for the delivery of the transitions offer once it has been developed.
- 2.3. Whilst this report did raise issues that need to be addressed it was reassuring that Internal Audit were able to confirm that there was evidence of regular and timely engagement with and management of cases which were complex or

entered a crisis state, showing the responsiveness and positive work being completed by the Transitions Planning Team.

- 2.4. A key focus of the audit report and management response was to confirm the future vision and strategy for transitions as this was agreed as being essential to ensure a more effective approach for the future. To ensure sustainable approach that all Council and wider City partners are supportive of, much of the work to date has focused on engagement of colleagues across the health and care system, within the Council and across the City. A Transition Workshop was held in February 2018, which included colleagues from Adults Social Care, Children's Social Care, Health, Education, Transitions Team, Adult Learning Disabilities Health colleagues, Children's and Adults Safeguarding teams and Internal Audit. Two members of the Parent Carer Forum along with Mental Health colleagues were invited but unfortunately were unable to attend on the day. The purpose was to look at people's understanding of transition; who the cohort of young people were; and to get everyone in the same room to start the conversation.
- 2.5. Children and Adults Services have since agreed to look at co-funding a strategic post to oversee the pathway for those young people and their carers who were 'in transition'; and develop a draft proposal of what the system of transition could look like.
- 2.6. Initial modelling of proposals has taken place and was presented to the Director of Adult Services and the Deputy Director for Children's Social Care in July 2018.
- 2.7. Further discussions and presentations have taken place across the health and social care system focussing on services for people with learning disabilities and transition, both in the Quality and Safety Committee in the Manchester Local Care Organisation and Manchester Foundation Trust Quality and Safety Committee. An outcome of these is an agreement to hold a system-wide half day workshop in November 2018 to agree the Our Strategic Vision and how we plan to take this forward. A launch event will be planned for early 2019 at which Transition will be a key priority.
- 2.8. Consultation with the Parent carer forum has been provisionally arranged for September 2018. Consultation on transition has been suggested as a topic for the next Manchester People First Board also in September 2018.

3. Disability Supported Accommodation Services, Quality Assurance

- 3.1. This report was issued as final on 14 February 2018. It provided limited assurance that the Quality Assurance Framework was operating effectively and in accordance with expectations to support delivery in line with legislation. The main issues preventing a higher assurance opinion from Internal Audit at this stage were:

- The overall completion rate for the year was around 40% of audits issued to staff.

- The audit tool coverage was too broad and did not provide management with the best available evidence to confirm compliance with the Care Act.
 - Follow up processes were insufficient to confirm improvement actions had been implemented or how they informed lessons learned.
 - The wider improvement arrangements described in the Framework were not in place, including moderation, which has impacted its effectiveness.
- 3.2. Since the report, the ad-hoc approach to audit allocation has been removed and a more structured approach has been implemented whereby audits are assigned Network by Network. For example North Team undertakes all South audits, South Team undertakes all Central audits. This has led to a more cohesive and consistent approach.
- 3.3. Following a workshop in April 2018 with partners the Registered Managers have streamlined and restructured the Quality Assurance Documentation. The Quality Assurance Audit Tool has been reviewed and streamlined from 3 to 2 documents, removing duplicate questions and those where the data was either irrelevant or not useful. The building document has been removed as a lot of this information was collected in either the staff or citizen documents or recorded under health and safety.
- 3.4. Key questions in relation to Safeguarding, Care Quality Commission (CQC), Duty of Candour and other questions more relevant to the service such as Mental Capacity Act and Deprivation of Liberty Safeguards have been incorporated into the revised documents. From this additional data it is expected that the Service will be able to identify training requirements and have a better understanding of the quality of service delivery.
- 3.5. Following the April workshop the new documentation has been piloted by Registered Managers and Support Coordinators to determine whether the purpose and goals of quality and assurance are being met; if further changes are required to improve; and to ensure that compliance with policy and procedures is being achieved. This approach has also been used to ensure that any changes in legislation have been incorporated.
- 3.6. The next step is to review the final documentation to ensure it is fit for purpose. This is to be finalised in a planning meeting organised for 10 September 2018.
- 3.7. The revised approach has resulted in a reduction in length of time to complete audits and more relevant meaningful data collection with new questions providing a fuller, clear picture of the quality of service delivery.
- 3.8. A tracker has been created and introduced to track individual casefiles identifying whether key documents such as Care Plans, Deprivation in Domestic Settings and risk safety plans are in place, who authored them, when they were produced and the review date. This work will provide the information relating to gaps in key documents in case files, review dates, so that compliance can be monitored and any shortfalls or issues addressed.

- 3.9. As a product of the tracker a Focus Calendar has been built and implemented. This is a calendar system that each month enables the Service and individual Networks to focus on a particular topic or key document, such as Person Centred Planning or Risk Assessments. This approach allows Support Coordinators and staff to work together and sense check documents. It also has the benefit that if a Support Coordinator is absent the Registered Manager can ensure that staff in those properties are working on those particular documents. Focus topics are discussed in team meetings which provide peer support.

4. Homecare Contracts

- 4.1. The limited assurance report on homecare contract governance was finalised on 7 March 2018. This was an area where a need for improvement had been acknowledged by service management and the audit assessment has helped focus improvement actions based on the following key issues:
- Level of scrutiny and payment to providers on and off framework was not always equitable.
 - Not all suppliers were being monitored as required and monitoring focuses on organisations' records and not quality of care.
 - Volumes of payments going through the manual system mean that levels of validation checks are less than audit would expect.
 - Full reporting of variances between commissioned and invoiced hours did not take place.
- 4.2. Commissioners are aware that there are variations (both up and down) between the care commissioned and the value of invoices submitted. A report on these variations is compiled and sent out to locality teams, however, capacity issues mean that scrutiny of these variation reports is light touch only, focusing on the most significant variances both over and under hours set out in the care and support plan.
- 4.3. The new model of homecare will start to move the Council away from the 'time and task' model but, initially at least, hours of care will still be the unit of currency used to pay providers and they will continue to submit claims for payment on the basis of hours of care delivered. Providers will have more freedom to use the hours assigned to a person in a more responsive and flexible way which should reduce the variations and will also free up more social worker time.
- 4.4. The Strategic Director is very clear that more capacity will be in place to manage the detail of contracts in future, with at least six link managers liaising with homecare providers and a strengthened team of brokerage and placements officers able to take a much more hands-on approach to ensuring that payments and care are reconciled at an individual and contract level.
- 4.5. The new service is due to be tendered in September, with contracts awarded by the end of the calendar year and the new service up and running in April

2019. Mobilisation work will commence imminently and we expect new teams to be up and running well before the start of the new contract.

5. Client Financial Services (CFS) - Cash Handling

- 5.1. This report was issued as final on 22 December 2017. Limited assurance was provided over the effectiveness of system in place where Appointee Support Officers are dealing with customers' cash and the Council act as an Appointee/Deputy. In particular:
- No job descriptions were in place for the ASO role increasing the risk of customers misunderstanding services and potentially overstepping role boundaries.
 - Wider roles and responsibilities were not described, leaving gaps in the control framework and a lack of oversight of compliance.
 - CFS had created a basic list of 'Do's and Don'ts' for the ASOs to follow in respect of the cash delivery responsibilities, rather than robust policy and procedures.
 - Officer remit had evolved informally over time to include an element of a 'watching brief' over the welfare of customers and to raise any concerns with Social Workers if felt appropriate.
 - No arrangements for CFS to seek assurance over compliance with the cash delivery. The safety of the ASO officers was not checked through the day, as required in the Council's Health and Safety policy.
- 5.2. As previously advised, two dedicated Appointeeship Support Officers have been introduced who have taken over the duties of collecting and delivering cash to adult social care citizens. This replaces the previous system where two social workers were required to do this from each locality, across the City. By freeing up social work capacity, this has allowed more intensive and focused work to take place to develop this into a robust, safe and accountable service for citizens.
- 5.3. After initial setup, Internal Audit were invited to assess progress from a policy and procedures viewpoint. Being a relatively new development, all work has had to be developed from scratch to fit the particular nuances of this work. Much work has been developed to satisfy audit requirements, which has strengthened this service under the Leadership of the Business Support Locality Manager North.
- 5.4. In terms of Audit recommendations, in relation to health and safety, staff now have to complete a 'whereabouts sheet' detailing their movements at all times and also telephone the office when they have completed their schedule of daily visits. In addition, a health and safety briefing has been arranged for 11 September 2018. This will conclude the actions for implementing this recommendation
- 5.5. A number of actions have been taken to address risks in relation to 3rd party payments. There is currently a schedule of cash payments to individual citizens and also a list of the nominated 3rd party individual who is authorised

to accept payments to pass onto individual citizens. Audit required this area to be strengthened. Accordingly, a new Cash Receipt form has been designed which all cash 'receivers' sign and also includes a statement to ensure that the 'receiver' understands they are keeping this money safe for the nominated citizen and therefore undertake to keep this money safe. This will resolve this outstanding Audit recommendation and is now in place.

- 5.6. All evidence has been shared with the Lead Auditor for Adults Services in Internal Audit to demonstrate compliance with the recommendations.

6. Directorate Governance and Assurance Arrangements

- 6.1. The reporting of progress in implementation of audit recommendations is overseen by the Adults Quality Assurance and Performance Board and onward reporting to Adults DMT and Senior Management Team.
- 6.2. A Health and Social Care Commissioning Group also has oversight over performance and quality of commissioned activity as well as finance and service developments. This has a wide membership across Council relevant services and health partners and includes the Lead Member.
- 6.3. Whilst these reports have identified issues of concern, a number of immediate actions have been taken to reduce risks and actions are planned where issues require greater investment of time and resources. Governance arrangements will continue to provide assurance over progress as deadlines for implementation fall due.

7. Recommendation

Members are requested to consider and comment on the assurance update and actions taken in response to the limited assurance opinions.

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**Manchester City Council
Report for Information**

Report To: Audit Committee - 3 September 2018
Subject: Children's Services Audit Recommendations
Report of: Strategic Director of Children's Services

Summary

This report will provide an update on actions taken and proposed following internal audit recommendations in respect of the Foster Carers Framework and Multi Agency Safeguarding Hub. It confirms actions taken, contextual matters and further work planned to address risks identified and agreed in the audit reports.

Recommendations

Audit Committee are asked to consider the assurance provided by the update report.

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- NW Foster Carer Framework report to Audit Committee January 2018
- Outstanding Audit Recommendations report to Audit Committee July 2018

1. Introduction and Background

- 1.1. In January 2018 Audit Committee were provided with an update on actions taken in response to recommendations made in an internal audit of the North West Foster Care contract. The report confirmed that two recommendations had been implemented and two had been classified by Internal Audit as partially implemented.
- 1.2. Internal Audit provided a further update to Committee in July 2018 as part of their Outstanding Audit Recommendations report. This noted that the two recommendations had still to be fully implemented. It also noted that four recommendations from the Multi Agency Safeguarding Hub Internal Audit report had still to be implemented in full.
- 1.3. In response to Internal Audit's update report, Audit Committee requested a management update to confirm actions being taken to address risks identified in these two audits.

2. NW Foster Care Contract

- 2.1. Actions have been taken in response to two outstanding audit recommendations and these were reviewed by the Internal Audit Team in August. The two recommendations and current position are as follows:

Addressing Under / Overpayments

- 2.2. Having identified under and over payments to providers as part of their work, internal audit recommended that actions be taken validate the accuracy of all existing placement charges to identify extent of discrepancies and potential under/over payments.
- 2.3. A significant amount of work has been undertaken in response to this recommendation as reported to Committee in January and July 2018. The key areas of progress are as follows:
 - From a review of the highest value payments for historic cases, a sum of £90k was identified as overpaid and was being recovered.
 - As at July 2018 all open cases have been reviewed and confirmed as accurate. This whole case review identified a small net overpayment of £186 out of a total weekly payment of over £300k. Investigation of these variances is ongoing with focus on the larger overpayments and ensuring these are corrected.
 - An improved system to monitor charges is being designed based around a large spreadsheet which incorporates information about the child, placement and framework rates and compares this with invoice information provided by finance. This is a highly manual process though effort is being made to automate as much of the process as possible.
 - Data cleansing exercises are being undertaken along with the use of spreadsheet formulas to help with automatic flagging of key variances.

- 2.4. Developments planned in the finance and care systems are being designed to improve automation and links between systems to enhance efficiency and minimise the risks of errors as identified in the audit reports.
- 2.5. Internal Audit have confirmed that whilst this remains a highly resource intensive process and efforts will have to continue to be made to review payments, the actions taken have been sufficient to confirm this recommendation as having been implemented.

Risk Evaluation and Provider Monitoring

- 2.6. Internal Audit confirmed that the process for risk evaluating suppliers was unclear and visits to suppliers were not taking place; and recommendation that a risk evaluation process be developed and a programme of related provider monitoring visits be undertaken.
- 2.7. A number of attempts at developing an evaluation and monitoring process had been trialled following the audit. Following changes in leadership and management across the service and a refocus on risk evaluation and monitoring, the proposed approach focuses on combining key information available to the Council and supplier self-assessment. This information will be collated and risk rated to determine whether further officer visits are required to suppliers. In using this approach visits to providers have commenced with a series of visits planned through to March. The templates to support this have been created but, in the interim, provider visits are taking place based on previous risk ratings of suppliers.
- 2.8. Internal Audit have reviewed the proposed approach and have confirmed that once implemented and sustained it should address the concerns raised in the original audit report. At this stage they can only assure the actions as partially implemented.

3. Multi Agency Safeguarding Hub (MASH)

- 3.1. As reported to Audit Committee in July, four recommendations from the September 2017 Internal Audit of the MASH were deemed to be outstanding. The issues raised by Internal Audit were as follows:
 - Lack of clear, concise, and up-to-date operational procedures, including a strategy for achieving service delivery objectives.
 - Inconsistency of approach in obtaining and recording consent of the parent/carer and when accepting referrals into the MASH.
 - Reporting did not provide evidence that the highest urgency cases were prioritised and completed within the target time of one working day.
 - The MASH Performance Dashboard showed separate reporting of timeliness within the Contact Centre and timeliness within the MASH, whereas the statutory requirement of 'one working day' would be inclusive of both of these stages.

- 3.2. The actions taken and current position in response to these issues is set out below:

Operational Procedures and Strategy

- 3.3. A Memorandum of Understanding (MOU) has been in place within the MASH. This sets out the structure, governance, desired outcomes and core principles of the MASH. Internal Audit recommended that this be further developed into more detailed procedures to aid consistency of approach and workflow across the MASH.
- 3.4. The MOU has been updated in response to the audit recommendations, most recently in July 2018. Some of the inconsistencies and out-of-date elements that audit had identified have been corrected and more detail on the mapping process for single agency responses has been included. Having undertaken this review the new MASH Operations Manager and the Social Work Consultant are now working on a set of Practice Standards, to be in place by the end of September 2018, to support consistency of practice.
- 3.5. Internal Audit have confirmed that the update of the MOU and the proposed introduction of Practice Standards will help address the risk identified in the original audit and by the end of September this will be fully complete and at that stage the service is confident that Internal Audit will be able to confirm the recommendation has been implemented.

Consent

- 3.6. The original audit recommendation to improve compliance with the requirement to record consent (or the reasons for not obtaining consent was to amend the care system to make this a mandatory field requiring completion. This was not deemed possible or cost effective given a new care system is currently being developed. An alternative approach of assessing consent in monthly case audits was proposed to manage the risk of inconsistency and omission and it was understood this risk was passed back to the service to manage under its performance management framework.
- 3.7. This has taken longer than planned and through their follow up work Internal Audit have been unable to provide assurance that there has been a substantive improvement in application of the Consent Policy.
- 3.8. The audit tool used for case audits is being resigned to aid reviewers in the assessment of the approach to consent. This is planned for completion by the end of October 2018.

High Risk Case Reporting: Timeliness

- 3.9. Statutory guidance requires that a decision is made on a referral within 'one working day' from receipt; overall performance against this target is around 50% of contacts achieving this target. Internal Audit raised this as a concern and whilst management are assured that the supervisions process ensured the

highest urgency cases were prioritised and completed within the target time, no stratified performance measures by risk level had been created to provide this demonstrable level of assurance.

- 3.10. The MASH Operations Manager now tracks all referrals that progress to a Strategy Discussion (i.e. the highest priority referrals) all of these have met the agreed timescales and reports the results of this dip-sampling (including total population and total sample size) via the Performance Dashboard. This was done for May and June 2018 but due to changes in staffing as not completed in July. The dip sampling of July will be complete by 31 August and practice standards are due to be refreshed by the end of the September.
- 3.11. Internal Audit have reviewed this process and whilst they accept this approach as offering assurance over the review of timeliness, they have noted that this needs to be embedded and have recommended that the way on which information is reported in the Performance Dashboard be amended to provide the numbers of cases and sample sizes so that management can be assured that the level of case testing and review is sufficient.

Overall Case Timeliness: Reporting

- 3.12. As part of the original audit, Internal Audit reviewed the MASH Performance Dashboard and made a number of recommendations to help clarify and simplify the reporting measures. One of these was to clearly report on overall timeliness of cases, rather than separately reporting timeliness in the Contract Centre and the MASH.
- 3.13. The Dashboard has now been updated to include a new performance chart measuring overall end-to-end timeliness. It now shows the number of referrals completed in 24 hours, 24-48 hours, 48-72 hours, 72-100 hours, 100-150 hours and over 150 hours. Internal Audit have provided some further comments on this chart to make it clearer what is being reported and performance in both actual and percentage terms to aid management in the review and monitoring of performance.
- 3.14. Whilst these minor changes have been suggested and will be addressed, Internal Audit have confirmed that they consider the actions taken to be sufficient to confirm the original agreed actions as having been implemented.

4. Conclusion and Recommendations

- 4.1. Of six recommendations followed up by Internal Audit in respect of the Foster Care Contract (2) and MASH (4), they have confirmed two as having been implemented. The other four have been progressed but remain partially implemented as the proposed actions are underway but have still to be completed in full.
- 4.2. A key factor in these delays has been changes in management and leadership across both these services but improvement should be sustained now that

management are in post and have a clear understanding of the actions required to address the risks identified in Internal Audit reports.

- 4.3. As these actions are to be finalised in the next 8 weeks or have recently been implemented, the Director of Children's Services will obtain a progress update and management assurance over improved compliance by the end of December 2018.
- 4.4. Audit Committee are asked to consider the assurance provided by the update report.

Manchester City Council Report for Information

Report to: Audit Committee - 3 September 2018

Subject: Disclosure & Barring Service (DBS) Checking Arrangements

Report of: City Treasurer and Head of Audit and Risk Management

Summary

This report provides an overview of the Council's current arrangements for DBS checking; previous and recent audit activity in this area; and an update on recent progress to further improve the control framework.

Recommendations

That Audit Committee note the content of the report.

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

DBS Checks: Assurance Update (presented to Audit Committee 14 July 2016)
Internal Audit Plan 2017/18
Various legal acts including the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975, the Police Act 1997 (Criminal Records) and the Safeguarding Vulnerable Groups Act 2006

1. Introduction

1.1 Audit Committee has had an ongoing interest in the assurance over the Council's governance and administration arrangements for ensuring that safer recruitment decisions are effectively supported by relevant guidance from the Disclosure and Barring Service (DBS). Following an internal audit which reported on progress to strengthen DBS administration processes in June 2018, the Committee requested further information and an update to include the following:

- Explanation of the key elements of the DBS checking process.
- Roles and responsibilities of key officers.
- Internal scrutiny arrangements to provide assurance over consistency of decision making.
- Potential for use of technology to deliver process efficiency.

2. Current Process

2.1 The Disclosure and Barring Service (DBS) was established in 2012 as a merger of the previous functions of the Criminal Records Bureau (CRB) and those of the Independent Safeguarding Authority (ISA). It carries out criminal record checks for specific positions, professions, employment, offices, works and licences included in the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 and those prescribed in the Police Act 1997 (Criminal Records) regulations.

2.2 There are three main components to the DBS checking process:

- Confirming whether the role performed requires a DBS check; at what level; and the required frequency of rechecking.
- Administration of the check itself.
- Review of the outcome, and any required risk assessment based on the content linked to decision making.

2.3 Checks may only be carried out where it has been determined they are required. For many roles this is specified in law, but the law states that the roles listed are not intended to be exhaustive and therefore in some cases the Council is expected to take a local decision. This decision is initially proposed by a relevant Head of Service, who has the detailed understanding of the activities to be carried out by the role, and should then be reviewed and approved by a Lead Countersignatory, creating a clear record of the rationale for the decision taken. Factors influencing this decision making include whether the post operates in a decision making or influencing role.

2.4 Where the Council is notified that the outcome of the DBS check may merit further consideration, this does not automatically mean that the individual is not suitable for employment in a particular role. The Council must carry out its own risk assessment to consider each case on its own merits before taking a final decision.

2.5 The Lead Countersignatory for the Council is ultimately responsible for the proper use of the DBS Scheme by the Council. However, they have delegated elements of this role to senior officers within directorates, who are designated as Directorate Lead

Countersignatories. These officers provide support and guidance to service managers enabling informed decisions to be reached based on the identified safeguarding risks; the outcome of the DBS check; and the risk assessments carried out in all cases where a disclosure arises on the DBS certificate.

2.6 The Council also has a central administration team responsible for reminders of renewals; escalation of overdue cases; and production of management information. Currently this team is part of the Shared Service Centre, but will be moving into HROD from Autumn 2018.

2.7 The Council uses the e-bulk electronic application system for the processing of checks. When a check is required, the individual is directed to an online form which they complete with their details. These are automatically forwarded to the DBS and the resulting certificate is posted to the individual at their home address. The Council's administration team receive an email confirming either that the check was clear, or that further action is required.

2.8 Information confirming the processes for, and requirements of, DBS is available to all managers and staff from the intranet. This supports the Council in communicating its legal obligations and safeguarding the welfare of our staff, volunteers and service users. It is clear that arrangements apply to existing staff as well as to new appointees and volunteers who require DBS checks in their roles.

3. Internal Audit Coverage and Opinion

3.1 Internal Audit first reviewed the Council's compliance with the DBS checking regime in September 2015. At this point a limited assurance opinion was given based on the following key findings:

- Procedures were out of date and therefore not in line with current legal requirements or locally developed operational practices.
- Outcome of risk assessments was not uniformly documented and retained.
- Staff were allowed to continue in post although they had not had a recent check in line with the Council's locally defined expectations.

3.2 In order to oversee the implementation of Internal Audit recommendations, a working group was set up including representation from Directorate Lead Countersignatories, HROD, and the central administration team. Internal Audit attended meetings of this group to contribute to system redesign and enhancement; assess the extent of progress made; and to provide advice as required. Once the recommendations had been implemented, the group amended its focus from development to assurance, operational matters and to support consistency of approach and learning.

3.3 Internal Audit's recent audit work on DBS, which concluded in June 2018, confirmed significant improvements had been made and the overall assurance opinion improved to moderate. In particular this was linked to addressing three of the key issues raised in 2015:

- A new procedural framework had been introduced, including guidance for

managers and staff.

- The central administration team retained copies of all risk assessments carried out.
- Management information was regularly produced and circulated to relevant stakeholders, highlighting the number of staff who had not submitted a DBS application three months before their required renewal date. This confirmed a compliance rate of 98% across the Council at the end of March 2018.

3.4 Based on the findings Internal Audit were confident that, for employee posts where a DBS check was mandated, these checks were being administered correctly and the outcomes reviewed where appropriate. The electronic, online system was considered to be straightforward and worked as intended.

3.5 However, the report identified a number of groups where the arrangements for managing the checking process were less clear, including volunteers, members, and staff with access to sensitive data. In each case Internal Audit was satisfied that the legal framework for DBS required a local decision to be taken. Managers were aware of this and had taken pragmatic local decisions based on their area of responsibility, although these had not always been made with input from Directorate Lead Countersignatories. However, further work was required to consider these groups from a holistic perspective and support consistency of Council-wide approach. For example, with regard to volunteers, a system operating in Leisure Services had been evaluated and considered suitable for rollout across the Neighbourhoods directorate. Internal Audit recommended that should this expansion prove successful the system be further rolled out corporately.

3.6 Internal Audit's work also identified some areas where procedural guidance could be made more specific in relation to unusual circumstances, for example for posts where "lived experience" was considered to contribute to an applicant's suitability for a role.

3.7 The improved level of assurance was further validated by a compliance inspection from the Disclosure and Barring Service itself (December 2017). This concluded that the Council was compliant with requirements, although did identify some minor administrative issues. The review also identified some posts where the DBS did not consider that a robust case could be evidenced for subjecting the post to checking. However, the DBS have supported the Council in understanding the information required to support them in making these decisions, and a positive working relationship remains in place. The Council administration team's procedures and template documents were updated as a result, to ensure that more specific information is collected from applicants, with clearer links to eligibility guidance also being provided.

4. Next steps

4.1 The Internal Audit report was presented to SMT on 19 June for a decision on who should be designated the Council's Lead Countersignatory. This was confirmed as the Director of HROD, who now chairs the DBS working group and is working with the Directorate Lead Countersignatories to finalise a revised terms of reference for the group. Internal Audit has reviewed this document in draft and confirmed that it

addresses the identified areas for improvement. It includes formal designation of responsibility for ensuring consistency of decision making, which is planned to be achieved through collective review of a sample of decisions taken.

4.2 Work is also underway to take forward the other recommendations from the internal audit. The required clarifications in relation to members and staff with access to sensitive data are both being progressed by the Directorate Lead Countersignatory with responsibility for the Corporate Core, with proposals being prepared in each instance. There are plans for each directorate to revisit the posts in their services to confirm that previous eligibility decisions remain appropriate. This detailed information will be provided to the Directorate Lead Countersignatory to provide advice, support, and assurance over completeness and consistency of decision making.

4.3 The group are also considering the potential for corporate rollout of the volunteer management system used by Leisure Services, which would have a financial implication. A benefits analysis exercise is underway and will be presented to SMT as part of a wider update paper in Autumn 2018. In addition, HROD are leading a review of the DBS framework guidance and exploring options for including this topic as part of the corporate management training programme.

4.4 Internal Audit are also aware that the group have a number of additional suggestions to further improve policy and process in this area – for example, revisiting the Council's policy on recruitment of people with convictions. The focus on continuous improvement in this area is positive and while Internal Audit will not be directly monitoring implementation of these actions, it supports the group's intention to create a work plan with agreed priorities and deadlines for tasks to be completed.

4.5 Given the short timeframe since the publication of the report, Internal Audit are assured that satisfactory progress is being made towards implementation of the associated agreed action plan, particularly given the scale and complexity of the proposed improvements. The audit team will remain engaged with the Lead Countersignatory and working group members to assess full implementation of each recommendation, and provide further advice as required.

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**Manchester City Council
Report for Information**

Report to: Audit Committee – 3 September 2018

Subject: Annual complaints and enquiries report 2017-18

Report of: Deputy Chief Executive

Summary

This report presents the complaints and enquiries dashboard, which sets out the Council's annual performance for 2017/18 in the management of corporate and social care complaints, Councillor and MP enquiries. It also provides information on how the Council has used this information to influence service improvements.

Recommendations

Audit Committee Members are asked to note the report and approve the distribution of an annual report to this Committee which summarises the performance of the Council in the management of complaints.

Wards Affected: All

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1.0 Purpose of report

- 1.1 This report to members outlines the Council's performance in relation to complaints and related metrics during the course of the 2017-18 financial year, including the complaints dashboard. Performance in responding to complaints is published regularly on the Council's website and can be viewed online at: http://www.manchester.gov.uk/info/200025/complaints_comments_and_questions/4218/complaints_performance
- 1.2 Whilst the accompanying complaints dashboard at **Appendix 1** highlights performance for each measurable indicator in more detail, in summary, the table below shows the annual performance for 2017/18, compared with previous years:

Period	Stage One complaints* (previous years Stage 1 and 2)	Performance target 96% within 10 working days	Social Care	Performance target 96% within 20 working days	MP/Cllr Enquiries	Performance target 96% within 10 working days	Ombudsman Enquiries	Performance target average response within 28 calendar days)
2014/15	1864	89%	314	55%	1321	82%	39	28 (26% upheld)
2015/16	1841	85%	220	70%	1331	80%	27	28 (44% upheld)
2016/17	2243	81%	285	80%	1537	83%	17	27 (10% upheld)
2017/18	1949*	87%	343	81%	1517	76%	22	27 (42% upheld)

2.0 Performance Management of Corporate Complaints

- 2.1 Expected standard - 96% of Stage One complaints responded to within ten working days
- 2.1.2 Growth and Neighbourhoods have seen the most pronounced reduction in Stage One complaints compared to 2016/17 (33% less). As this is a return to previous levels it suggests that 2016-17 was an outlier. The transition from Enterprise Manchester to Biffa in 2015-16, the major service change that followed across the entire city in 2016/17, bringing reduced bin sizes, and the move to a two stage complaints process¹ are the likely causes for these variations. Other Directorates have seen small increases in the number of complaints received.
- 2.1.3 The Council as a whole remains 9% from achieving its target of responding to Stage One complaints within 10 working days, however has improved its performance by 6% on the previous year. Growth and Neighbourhoods have improved their performance against this metric by 13%, taking them to within 7%

¹ The complaints process was revised in 2016 to reduce the stages of complaint from three to two. Reasons for this included the need to reduce the bureaucracy of the process, make navigation through the process easier, with less people to deal with and to speed up access to the Local Government Ombudsman.

of target. A significant factor in this improvement has been work undertaken by the Corporate Complaints Team with Biffa who are now responding to all referred complaints within deadline.

- 2.1.4 The Corporate Core, with the largest number of complaints received, has slightly improved its performance, taking it to 90% of complaints responded to on time. Children and Families have seen a small fall in performance, from 67% to 65%, although it is notable that the service within Children and Families who receives the most corporate complaints, School Admissions, has seen improvements in their response times.

2.2 Expected standard - 10% of corporate Stage One complaints escalated to Stage Two

- 2.2.1 The Council as a whole has seen a 4% increase in the number of complaints escalated to the final stage of the complaints process from 12% in 2016-17 to 16% in 2017-18. This is an expected increase, given the removal of a complaint stage, however efforts are underway to minimise these escalations by ensuring that Stage One complaint investigations are of sufficiently high calibre. The Council is still within 6% of the 10% target, which indicates that most complainants are satisfied with the investigation undertaken at Stage One.

- 2.2.2 This increase is reflected across every Directorate of the Council with the exception of Strategic Development (who have seen a reduction from 31% to 24%), however as Strategic Development receive a very small number of complaints, their percentages can be unduly affected by a few cases.

- 2.2.3 As part of the transition to a two stage complaints process, the Corporate Complaints Team now has the discretion to decline to investigate Stage Two complaints where it is clear that a Stage Two investigation will not bring about a different outcome or where the outcomes sought by the complainant are not reasonable or achievable. In 2017-18 the Corporate Complaints Team declined to investigate 22 complaints:

- Children and Families - 2
- Corporate Core - 9
- Growth and Neighbourhoods - 9
- Strategic Development - 2

Of these 22 not investigated at Stage 2, 4 took their case to the Ombudsman who also declined to investigate, one was investigated by the Ombudsman but was not upheld and the other cases were not pursued further by the complainants.

2.3 Expected standard - 96% of corporate Stage Two complaints responded to within ten working days

- 2.3.1 Performance against this standard remained fairly static, despite an 83% increase in the number of Stage Two requests received. This increase in the number of final stage complaints was anticipated as a result of the revised complaints process. It is however encouraging that this has not impacted upon

the number of complaint responses issued on time. The Council remains 12% from target and the Corporate Complaints Team will continue to proactively monitor internal deadlines and to pursue services for their responses to complaints. There will also be continued use of the escalation procedures to prevent delays.

- 2.3.2 Performance across the Directorates has been mixed with both Children and Families and Growth and Neighbourhoods seeing significantly larger numbers of Stage Two complaints but also seeing significant improvements in the timeliness of their responses when compared to the previous financial year. It is noteworthy that Children and Families saw an increase from four Stage Two complaints in 2016-17 to 20 in 2017-18, whilst the figure for Growth and Neighbourhoods more than doubled from 58 to 117. Strategic Development have seen a 40% fall in their performance but again, as they receive a very small number of complaints, their performance can be unduly affected by a small number of late cases. In this case, they had two Stage Two complaints that were not responded to on time. Finally, Corporate Core have seen a 59% increase in Stage Two complaints and a fall of 5% in the number responded to on time.

2.4 Expected standard - 20% of corporate Stage One and Two complaints upheld

- 2.4.1 The percentage of complaints upheld from 2016-17 to 2017-18 has remained relatively stable (42% compared to 41%). This remains more than double the target of 20%. As part of the implementation of the two stage process, the Corporate Complaints Team undertook a number of briefings with complaints coordinators and investigating officers, both to explain the new process and to emphasise the need for thorough, non-defensive investigations. These briefings have led to a higher calibre of complaint response but have also led to an increase in the percentage of complaints being upheld as failings are now more likely to be identified and acknowledged.
- 2.4.2 Growth and Neighbourhoods have the highest percentage of cases upheld. This was predominantly linked to the number of failed bin collections. Although in comparison to the high number of collections that are successfully performed every month the number of failed bin collections are minimal, these can generate complaints with limited scope for investigation and are therefore more likely to be categorised as upheld. Growth and Neighbourhoods have, however, also seen a 7% decrease in the number of complaints upheld (52% down to 45%) as well as a 29% reduction in total complaint decisions. This, together with the trend of decreasing rates of both complaints received and upheld over each quarter of the year, offers assurance that the service provided to residents is improving.
- 2.4.3 Corporate Core has seen an increase in complaints decisions and the percentage of upheld complaints. This is, in part, due to the transfer of Highways reporting to the Corporate Core in early 2016. As Highways has now transferred to Growth and Neighbourhoods this will lead to changes in the performance for both Directorates. Children and Families have maintained the proportion of upheld decisions despite a 48% increase in decisions made.

3.0 Performance Management of Councillor and MP enquiries

3.1 Expected standard - 96% of Councillor and MP enquiries responded to within ten working days

- 3.1.1 The Council's performance against this metric has fallen from 83% to 76% despite a small drop in the number of enquiries received (down from 1537 in 2015/16 to 1517 in 2016/17). It should also be noted however, that there is an acknowledgement, particularly across the Neighbourhoods Service who have significant contact with Members and MPs that some caseload is being dealt with informally and therefore, the number of enquiries on record is in fact under represented. Instructions have therefore been issued to all staff to enforce the need to ensure cases are logged on the complaints and enquiry system and this will be handled by the Corporate Complaints Team to ensure consistency of approach.
- 3.1.2 The Council is 20% from the 96% target on this metric, with performance standing at 76% of enquiries handled on time. Growth and Neighbourhoods have seen a drop of 20% of enquiries responded to on time when compared with the previous year. It is acknowledged however, that due to the wide ranging scope of their services, the enquiries they receive can be complex in that they require input from a range of service areas before a response can be collated, and this adds to the time taken to respond. The Corporate Complaints Team have raised this matter with Directorate Senior Management Teams who have confirmed their commitment to seeing improvements in this regard, recognising the importance of responding to Councillors and MPs as community representatives in a timely way.

4.0 Performance Management of Social Care Complaints

4.1 Expected standard - 96% of social care complaints handled within timescale

- 4.1.1 Although legislation sets timescales for Children's Social Care complaints (Stage One: maximum of 20 working days, Stage Two: maximum of 65 working days and a Stage Three Review Panel must be organised within 30 working days), Adult Social Care legislation does not but states timescales must be negotiated with the complainant. That said, the Council aims to respond to complaints about Adult Social Care services within 20 working days.
- 4.1.2 Children's Services have seen a 5% increase in their performance, taking them to within 14% of target despite a 25% increase in complaints received. Adults have seen a 13% increase in social care complaints received but have seen a drop in performance of 8%. This takes the Council's overall performance to 81% (compared to 80% in 2016/17), with an overall increase of 20% more cases.

4.2 Expected standard - 20% of social care decisions upheld

- 4.2.1 The Council has seen a noted improvement in the percentage of social care decisions upheld, seeing a fall from 43% to 32%. Whilst this remains 12% from

target, the trajectory throughout the year has shown decreasing numbers of upheld complaints.

5.0 Performance Management of Local Government and Social Care Ombudsman (LGSCO) Enquiries

5.1 Expected standard - Local Government and Social Care Ombudsman enquiries responded to within 28 days

5.1.1 The Council received 22 enquiries from the LGSCO this year, an increase on the 17 cases from the previous year. The Council has however maintained its average response time of 27 days in which to respond to enquiries, which is within the target set by the LGSCO. The only Directorate not to meet this average was Children and Families. This was due to a number of highly complex cases that required the input of many services and partner organisations as well as detailed reviews of historic records.

5.2 Expected standard - 10% of Local Government and Social Care Ombudsman decisions where fault is found against the Council

5.2.1 The Council has seen a marked increase in both the number of decisions made by the Ombudsman (from 48 to 62) and the number of adverse decisions from 5 to 26, equivalent to 10% of decisions in 2016/17 to 42% in 2017/18. This is reflected across all Directorates, with particularly high levels of adverse decisions recorded against Children and Families. It should also be noted that the Ombudsman still records a complaint as upheld even where the Council has already acknowledged the fault and upheld it through its own procedures.

5.2.2 Following the appointment of a new Ombudsman it has been recognised that there is a more robust approach being taken to their decision making. This is evidenced in their own *Review of Local Government Complaints 2017-18*, published in July this year which headlines an upheld rate across all Councils of 57%, an increase from 54% in the previous financial year, as well as an increase in recommendations made to put things right, from 3574 to 3622. They also state in their report that they have published 40% more public interest reports, which is a significant increase and highlights again, evidence of their more rigorous approach to complaint handling and decisions during 2017/18. These reports trigger a requirement for the authority to consider them at Full Council, and are intended to highlight where there are systemic failings or significant injustices. Manchester has not been the subject of any Public Interest Reports during this financial year.

5.2.3 Of the 26 decisions upheld by the Ombudsman, two were sent directly to the Ombudsman so had not been previously considered by the Council. Four cases were Adults Social Care complaints which follow a legislative procedure which only permits one stage of investigation, and one case was not considered at the second stage of the complaints process, which meant that in these cases, the Council had a more limited opportunity to resolve matters with internal reviews before the Ombudsman was involved.

- 5.2.4 Of the remaining cases six were upheld with no further remedy proposed by the Ombudsman. In four of the cases the Ombudsman added to the remedy suggested by the Council, determining it was insufficient.
- 5.2.5 Taking into consideration the perceived, more robust stance of the Ombudsman, there were challenges made to the Ombudsman in eight of the draft decisions, some of which resulted in revisions in final decisions which were more favourable for the Council.
- 5.2.6 However, considering this picture in its entirety, it seems there were lost opportunities for internal resolution in 18 of the 26 cases upheld by the Ombudsman. The detail of the additional remedies that were proposed by the Ombudsman in these 18 cases is attached as **Appendix 2**.
- 5.2.7 In 11 of these 18 cases, the Ombudsman has proposed financial remedy as a means to compensate complainants that was not offered by the Council in our investigation, totalling £3,700 for all the cases combined. Whilst the Council's policy on complaint remedies does reference the need for Directorates to consider financial recompense it is often difficult to gauge the level at which this should be offered. Furthermore, there the complainant may still progress to the Ombudsman as a way of testing the Council's offer. This means there is often a preference within Directorates to await the Ombudsman's view on compensation before making an offer. Whilst this is understandable, it can make it more difficult for the complaint to be resolved without Ombudsman intervention.
- 5.2.8 In five cases, the Ombudsman has proposed nothing further than an apology as a means to remedy their upheld complaints. It is the Council's policy not to offer an apology unless fault has been found; otherwise this can lack sincerity and complainants may find this patronising if it is not accompanied by an acknowledgement of error. Where recommended by the Ombudsman, we recognise that an apology does need to be accompanied by an acceptance of the fault the Ombudsman has found, and will always ensure this happens following an Ombudsman enquiry.
- 5.2.9 In four cases, the Ombudsman findings in the case reflect failings in areas that were not the focus of the Council's initial investigation. Whilst important that these failings are acknowledged, it is clearly more difficult to identify and remedy them if they are not part of the complainant's initial communication.
- 5.2.10 From reviewing the detail in **Appendix 2**, the main messages are that:
- The Council may need to be more open to offering financial remedies during their own complaints investigations given the number of Ombudsman decisions that have resulted in compensation.
 - Where the Council offers remedy to put the complainants back into the position they might otherwise had been in if not for the fault, more consideration may be required for time and trouble/distress payments on top of these remedies.

- Whilst apologies should not be offered where there is no fault, there may be cases where discretion could be applied to apologise and acknowledge more minor faults.
- The Council should continue to challenge the Ombudsman's stance where appropriate to do so as this has resulted in some positive influence around the Ombudsman decisions during 2017-18
- The Council should continue to develop learning action plans in cases where the Ombudsman has reached a different conclusion to that formed by the Council, so that we can consider where our own complaints process may have lost opportunities, and learn from this.

5.2.11 In addition to the above, in July, the Ombudsman has issued their Annual Review Letter on Manchester's complaints, which records the same detail on the 18 complaints they have remedied (referenced above, and shown in Appendix 2). They explain that they are intending to move away from reporting on complaint volumes, and instead turn the focus of their analysis onto the lessons that can be learned from the wider improvements. To this aim, they have developed a pilot project, which Manchester has volunteered to participate in, which will more effectively record and publish data about remedies. An update will be provided on this pilot in the next Annual Audit report.

5.2.12 In response to all of the above, the Corporate Complaints Team are liaising with Directorates to ensure that the Council's policy to deal with remedying complaints, which provides guidance on appropriate redress and resolution of cases with the aim of reducing Ombudsman involvement, is properly and consistently applied. Whilst the Council must accept that complaints may still be pursued with the Ombudsman, it is anticipated that this policy will assist in reducing the number of cases where the Ombudsman remains dissatisfied with the remedy proposed by the Council.

6.0 Learning from complaints

6.1 Low risk learning actions

6.1.1 2017-18 has seen a 26% reduction in learning actions that are considered to be low risk. The predominant cause of learning in these cases is recorded as a failure to follow processes or procedures and these have been remedied by staff briefings, one to one discussions with staff and by changing procedures.

6.2 Critical Learning and Learning Action Plans

6.2.1 Where complaints are received that are a concern in terms of risk and impact on the complainant, a *Learning Action Plan* will be developed and monitored by the Corporate Complaints Team, working with the service manager, to secure ownership and commitment to the actions and timescales. Once the plan is signed off as completed, the key actions and learning outcomes will be shared in a communication bulletin across the service, and beyond if necessary, to ensure that the impact of the learning improves practice and performance in the future.

- 6.2.2 This year has seen a reduction in critical learning action plans, from 25 to 22 cases. Children and Families had the highest number of cases at 18, and primarily related to social care cases. The remaining plans were for the Core (2) and Growth and Neighbourhoods (2)
- 6.2.3 Actions in a number of these learning plans resulted in changes to processes or procedures, examples of which are set out below:
- Changes in the processing of Cash Individual Budget payments to ensure back up processes are in place when ICT systems fail (Adults Services)
 - Changes to the way the administration, recording and returning of medication is dealt with by reablement staff (Adults Services)
 - Process around care provider's provision of notice for ending care package to be reviewed to ensure no gaps in service provision in future (Adults Services).
 - Development of an advice leaflet to assist with explanations regarding rights around power of attorney (Adults Services)
 - Development of an alert system in the Social Care recording system to notify professionals regarding expiry of children's immigration status so that appropriate action can be taken (Children's Services).
 - The introduction of a new procedure to deal with Expressions of Interest under the Right to Challenge Scheme (Core - Legal Services)
 - Refresh and recirculation of the Risk Assessment Form, incorporating questions on the sharing of data with third parties and the verification of evidence supporting allegations and introduction of a Public Interest Test checklist to evidence the reasoning behind the sharing/withholding of data as part of Audit investigations. (Core – Audit and Risk)
- 6.2.4 Learning Plans also recorded themes around training, development and actions taken with staff, some examples of which are below:
- Training to be issued to staff dealing with Housing Options around the handling of homelessness applications, and a new process to be implemented and staff briefed regarding legislation change in the Housing Act (Adults Services)
 - Staff to be sent on refresher training on moving and handling and around dealing with communication with adults with a learning disability (Adults Services)
 - Briefings to staff to ensure emails sent and received are recorded on electronic records to provide an audit trail of contact with families (Adults Services)
 - Briefing note circulated to all staff in community teams regarding the funding of temporary health placements to ensure a better understanding around management of fees (Adults Services)
 - Staff re-briefed on notification of death procedure to ensure insensitive mistakes do not happen with regard to communication with relatives (Adults Services)
 - Staff to attend a letter writing course to improve communication around dealing with sensitive issues such as homelessness (Adults Services)

- Staff re-briefed about ensuring decisions are communicated in writing, contact details of relevant officers are provided and Working Agreement copies are provided to complainants (Children's Services)

6.2.5 It is clear that the process of learning and developing actions to prevent re-occurrence of the fault is a beneficial process for the Council and that these actions demonstrate there have been a number of key changes to services and development areas for staff as a result of complaints.

7.0 Praise

7.1 Praise recorded for employees has increased by 24% across the Council, from 321 to 397 records. Particular increases have been seen for the Corporate Core and Growth and Neighbourhoods, which follows efforts made by the Corporate Complaints Team to ensure that Directorates were aware that this is a recorded metric and that action was being taken to record these. Some examples of praise received are set out in **Appendix 3**.

8.0 Conclusion

- 8.1 The financial year of 2017-18 shows a mixed picture in performance of complaints handling. Whilst some indicators have shown an improvement, there are a number of indicators that have shown a decline.
- 8.2 The focus for the next financial year must be around securing an improvement in these areas. Of particular concern is the timeliness of response to MPs and Councillors and the percentage of upheld decisions from the Ombudsman. A targeted plan of action must be taken forward, and actively supported by Heads of Service and Strategic Directors to secure improvement as follows:

Stage 1 and Stage 2 complaints/Social Care complaints

- All staff to prioritise complaint investigations at the point of receipt – a communications feature will be run in a future Staff Bulletin to enforce this message and to offer signposting to advice and guidance for good complaints handling.
- The Corporate Complaints Team will be actively monitoring deadlines for complaints and enquiries, including sending reminders and instigating their escalation procedures to Heads of Service and Strategic Directors when cases are at risk of running late, or have gone over deadline.
- The existing offer of departmental training and briefings around process and complaint response writing will be re-emphasised via departmental management meetings.

MP and Councillor Enquiries

- Further instruction to be issued to remind staff that all cases are to be logged on the complaints system and the Corporate Complaints Team will monitor this to ensure this is taking place.
- Strategic Directors will be reminded to ensure the prioritisation of such enquiries, particularly where they are signing off the responses directly.

Ombudsman Enquiries

- Increased focus must be given to remedying complaints through the Council's own procedures, with more openness to offering not just financial recompense, but more creative solutions to ensure the complainant is put back into the position they would have been in where it not for the complaint. The Council's policy on Remedying complaints will be re-circulated
- The Council will openly participate in the Ombudsman's new *Remedy Project*, which will provide exposure to good practice across other authorities and opportunity to seek advice and guidance from the Ombudsman about where improvements can be made.
- Lost opportunities for resolution (i.e. where the Ombudsman upholds something we didn't) will be monitored throughout the year in the form of Learning Action plans and key messages will be communicated back through services.

8.4 More generally, as part of the continuous monitoring for complaints and feedback, Strategic Directors will continue to take responsibility for sharing their own performance dashboards and details of their learning action plans with their associated Executive Member on a quarterly basis.

9.0 Recommendations

9.1 The recommendations appear at the front of this report.

Appendix 1



Manchester City Council Complaints and Enquiries Dashboard Financial Year 2017-18

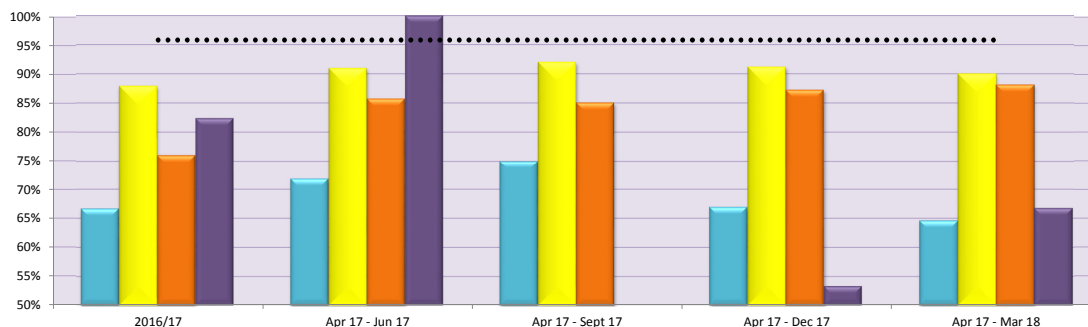
Produced by Corporate Complaints, Performance and Intelligence

Performance Management Framework

Audit Committee- Complaints and Enquiry Dashboard

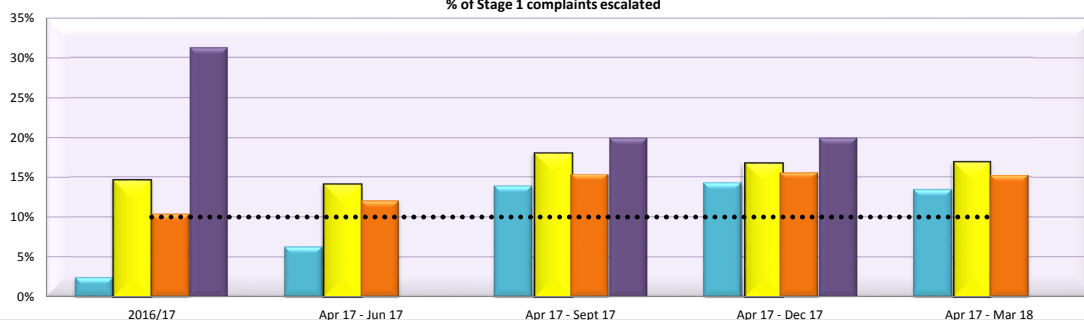
Number of combined stage 1 corporate complaints and % handled within 10 working days											Year To Date:			
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18		
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%	
Children and Families	123	67%	96%	32	72%	40	78%	40	53%	52	60%	164	65%	
Corporate Core	953	88%		256	91%	237	93%	250	90%	253	86.6%	996	90%	
Growth & N'bourhoods	1,150	76%		183	86%	213	85%	186	92%	186	90.9%	768	88%	
Strategic Development	17	82%		3	100%	7	29%	5	60%	6	100.0%	21	67%	
All Directorates	2,243	81%		474	88%	497	87%	481	87%	497	86%	1,949	87%	

% of Stage 1 and 2 corporate complaints handled within 10 working days (year to date)



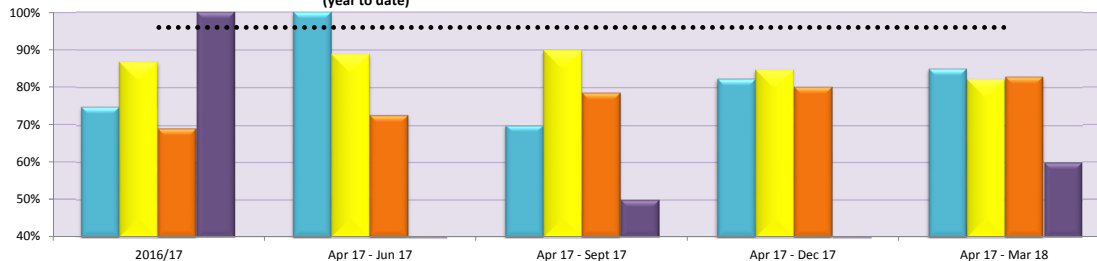
Number of Corporate Stage 1 complaints % escalated												Year To Date:							
Directorates	1 Apr 16 - 31 Mar 17			Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18						
	No.		%		No.		No.		No.		No.	%	No.	%					
Children and Families	123	✔	2%	10%	32	✔	6%	40	✘	20%	40	✘	15%	52	✘	11.5%	164	✘	13%
Corporate Core	905	✘	15%		256	✘	14%	237	✘	22%	250	✘	14%	253	✘	17.4%	996	✘	17%
Growth & N'bourhoods	1,061	✘	10%		183	✘	12%	213	✘	18%	186	✘	16%	186	✘	14.0%	768	✘	15%
Strategic Development	16	✘	31%		3	✔	0%	7	✘	29%	5	✘	20%	6	✘	33.3%	21	✘	24%
All Directorates	2,105	✘	12%		474	✘	13%	497	✘	21%	481	✘	15%	497	✘	15.7%	1,949	✘	16%

% of Stage 1 complaints escalated



Number of stage 2 corporate complaint responses and % handled within 10 working days										Year To Date:			
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18	
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%
Children and Families	4	75%	96%	2	100%	8	63%	7	100%	3	100%	20	85%
Corporate Core	106	87%		36	89%	53	91%	36	72%	44	75%	169	82%
Growth & N'bourhoods	58	69%		22	73%	39	82%	30	83%	26	92%	117	83%
Strategic Development	2	100%		0	-	2	50%	1	0%	2	100%	5	60%
All Directorates	170	81%		60	83%	102	84%	74	78%	75	83%	311	82%

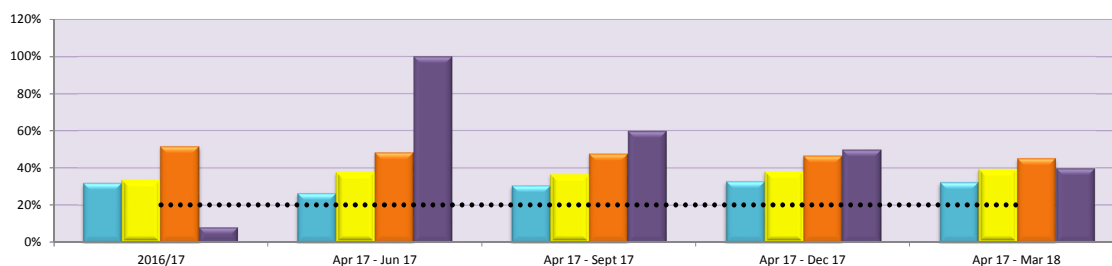
% of Stage 3 corporate complaints handled within 10 working days (year to date)



Audit Committee- Complaints and Enquiry Dashboard

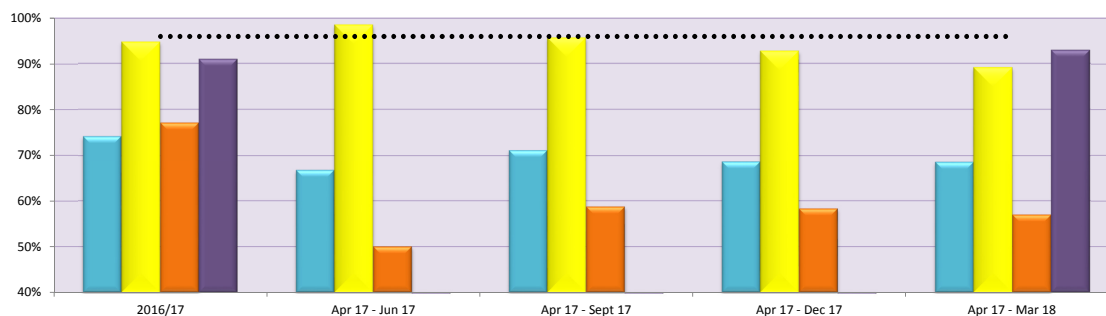
Number of Corporate Stage 1 and 2 decisions and % upheld											Year To Date:		
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18	
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%
Children and Families	125	32%	20%	34	26%	48	33%	46	37%	58	31%	186	32%
Corporate Core	1016	34%		281	38%	282	35%	283	41%	282	43%	1128	39%
Growth & N'bourhoods	1159	52%		188	48%	219	47%	210	45%	207	41%	824	45%
Strategic Development	12	8%		3	100%	7	43%	4	25%	6	17%	20	40%
All Directorates	2312	42%		506	41%	556	40%	543	42%	553	41%	2158	41%

% of combined Corporate Stage 1, 2 and 3 complaints upheld



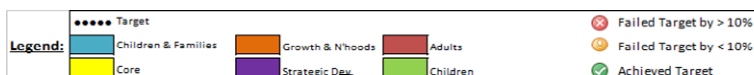
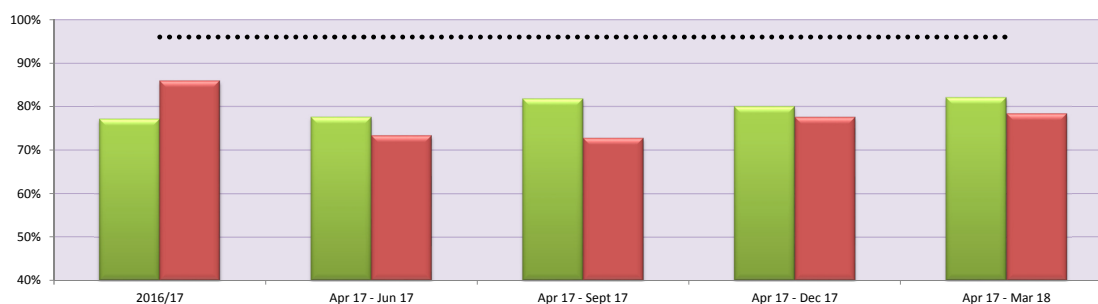
Number of Councillor and MP enquiries and % handled within 10 working days											Year To Date:			
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18		
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%	
Children and Families	819	74%	96%	150	67%	224	74%	250	64%	205	68%	829	68%	
Corporate Core	613	95%		118	98%	173	94%	145	87%	166	80%	602	89%	
Growth & N'bourhoods	83	77%		18	50%	28	64%	14	57%	12	50%	72	57%	
Strategic Development	22	91%		0	-	-	-	1	0%	13	100%	14	93%	
All Directorates	1,537	83%		286	79%	425	81%	410	72%	396	73%	1,517	76%	

% of Councillor and MP enquiries handled within 10 working days (year to date)



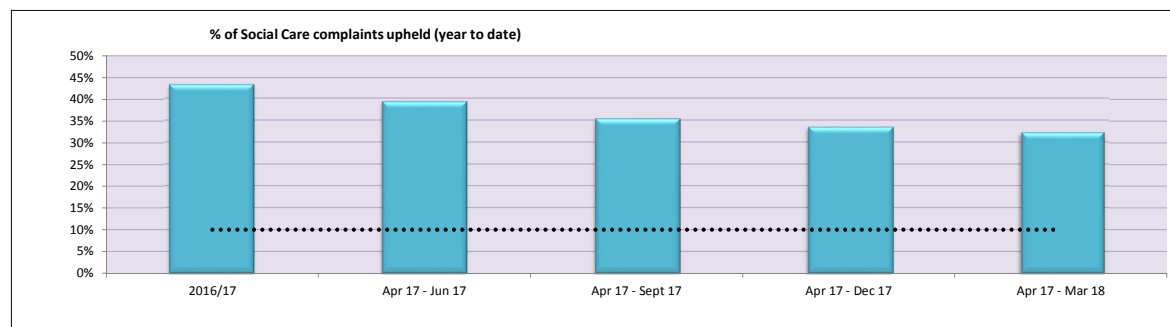
Number of Social Care Complaints and % handled within target											Year To Date:		
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18	
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%
Children	179	77%	96%	49	78%	44	86%	67	78%	63	87%	223	82%
Adults	106	86%		30	73%	25	72%	34	85%	31	81%	120	78%
Total Social Care	285	80%		79	76%	69	81%	101	80%	94	85%	343	81%

% of social care complaints handled within 20 working days

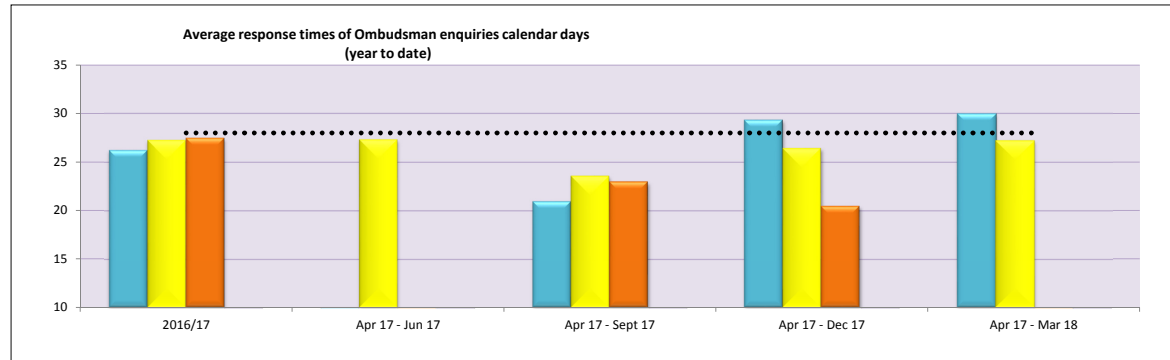


Audit Committee- Complaints and Enquiry Dashboard

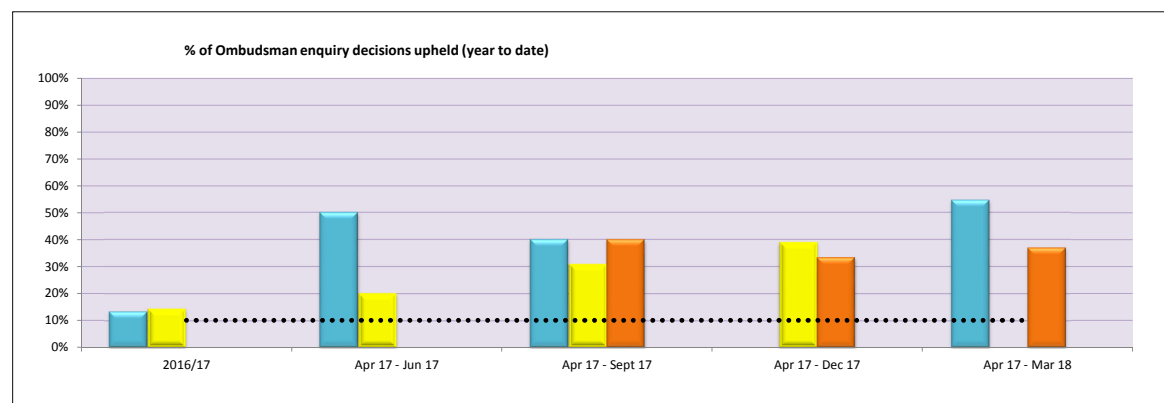
			Number of Social Care decisions and % upheld										Year To Date:	
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18		
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%	
Total	285	43%	20%	79	39%	68	31%	101	31%	94	29%	342	32%	



Number and average response times of Ombudsman enquiries (in calendar days)											Year To Date:		
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18	
	No.	Avg Days		No.	Avg Days	No.	Avg Days	No.	Avg Days	No.	Avg Days	No.	%
Children and Families	8	26	28	0	-	3	21	2	34	4	35.0	9	30
Corporate Core	4	27		3	27	2	18	2	34	2	30.0	9	27
Growth & N'bourhoods	4	28		0	-	2	23	2	18		-	4	21
Strategic Development	0	-		0	-	-	-	-	-		-	0	-
All Directorates	17	27		3	27	7	21	6	28	6	33.3	22	27



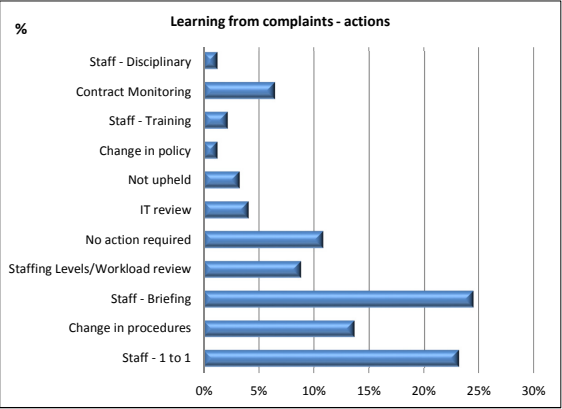
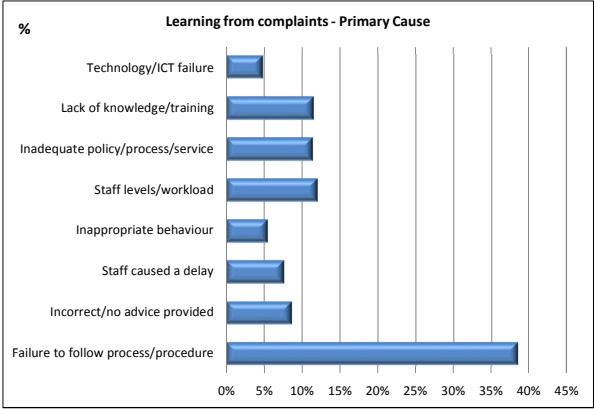
Number of Ombudsman enquiry decisions and % upheld													Year To Date:	
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 18		
	No.	%		No.	%	No.	%	No.	%	No.	%	No.	%	
Children and Families	15	🔴 13%	10%	6	🔴 50%	4	🔴 25%	3	🟢 0%	9	🔴 89%	22	🔴 55%	
Corporate Core	21	🔴 14%		5	🔴 20%	8	🔴 38%	5	🔴 60%	3	🟢 0%	21	🔴 33%	
Growth & N'bourhoods	11	🟢 0%		3	🟢 0%	2	🔴 100%	7	🔴 29%	7	🔴 43%	19	🔴 37%	
Strategic Development	1	🟢 0%		0	-	-	-	-	-	-	0	-	-	-
All Directorates	48	🟡 10%		14	🔴 29%	14	🔴 43%	15	🔴 33%	19	🔴 58%	62	🔴 41.9%	



..... Target	Children & Families	Growth & N'hoods	Adults	Failed Target by > 10%
Core	Strategic Dev	Children	Failed Target by < 10%	Achieved Target

Audit Committee- Complaints and Enquiry Dashboard

Learning from complaints												Year To Date:	
Directorates	1 Apr 16 - 31 Mar 17		Target 17/18	1 Apr 17 - 30 Jun 17		1 Jul 17 - 30 Sep 17		1 Oct 17 - 31 Dec 17		1 Jan 18 - 31 Mar 18		1 Apr 17 - 31 Mar 17	
	Minor	Critical		Minor	Critical	Minor	Critical	Minor	Critical	Minor	Critical	Minor	Critical
Children and Families	134	21	n/a	22	2	32	5	43	6	47	5	144	18
Corporate Core	256	3		64	0	83	1	91		56	1	294	2
Growth & N'bourhoods	498	1		43	0	40		79	1	61	1	223	2
Strategic Development	4	0		0	0							0	0
All Directorates	892	25		129	2	155	6	213	7	164	7	661	22



Appendix 2 – Lost opportunity for resolution in relation to Ombudsman Upheld Decisions

Case	Council decision	Council remedy	Ombudsman decision	Ombudsman remedy	Decision challenged
1.Children's Services - Council's approach to dealing with Special Guardianship allowance for child	Not upheld	Explanation of decision	LGO found issue with Council not undertaking a Statutory S2 investigation – <i>(NB this was not raised in complaint to Council)</i>	Undertake a S2 investigation	Yes
2.Children's Services Complainant felt SW intervention in relation to her family was inappropriate.	Not upheld	Inform complainant in writing re decisions taken re why ongoing SW intervention was necessary	LGO found issue with delays in undertaking family assessment – <i>(NB this was not raised in complaint to Council)</i>	£300 compensation	Yes
3.Children's Services – Failure to remove access restrictions on a parent when completing a child protection investigation	Upheld	Contact details for the officer leading investigation and working agreement to be established	Ombudsman found that the Council failed to provide a copy of the working agreement, delayed in its investigation and failed to communicate the outcome	£750 compensation	No
4.Children's Services – Home to school transport appeal did not consider all relevant information	Not upheld	The Council felt it had considered all relevant information and based on this, disabled child was not entitled to transport. Explanation provided	Ombudsman found that the Council did not adequately consider its policy in the appeal and all representations made by the complainant	A fresh appeal panel offered	No
5.Adults Services (social care) – Delay in completing assessment of need and providing personal budget	Not upheld	Explanation as to why the Council did not feel the case had been delayed. Additional information was required.	Ombudsman found that the assessment did not consider the reasons for informal family support and therefore failed to approve costings at appropriate time	Backdate direct payment to complainant to 3 March.	Yes
6. Adults Services - Homelessness.	Not upheld	Explanation provided as to why complainant did not meet band criteria and advice on making a homelessness application	Ombudsman found that there was fault in the way the Council handled Housing register and homelessness applications, which caused a missed offer of social housing.	£400 compensation, direct offer of a house, £200 a month backdated to June until house found	No
7.Adults Services (social care) – Failure to arrange adequate and consistent care in line with Care Plan and	Not upheld	Explanation to advise that care charges have been correctly assessed on basis of income and entitlement is correct.	The Ombudsman found there was some fault in making arrangements for four additional hours of care in a specific period.	Apology and £200 compensation	Yes

Appendix 2 – Lost opportunity for resolution in relation to Ombudsman Upheld Decisions

Case	Council decision	Council remedy	Ombudsman decision	Ombudsman remedy	Decision challenged
failure to take action to deal with request for additional support.					
8.Adults Services (social Care) – Transfer of a young person with autism to an out of area placement	Not Upheld	Explanation of decision	The Ombudsman found no fault in decision to transfer out of the area but fault was found in the lack of suitable support with finances and in not communicating effectively with family	Apology	Yes
9.Adults Services – Delayed decision in a homelessness application	Upheld	Apology and payment of arrears at property	Ombudsman found no fault in making initial decision or dealing with complainant's possessions, but fault was found in delay of its review.	£200 compensation offered in addition to Council remedy	No
10. Adults Services (social care) – Care provider did not provide appropriate support to disabled son and no contact with him.	Not upheld	Explanation provided regarding Council's view of care being provided.	The Ombudsman found fault in that the care provider sent the wrong medication when her son visited complainant but closed case as did not cause significant injustice	Apology	No
11.Core City Solicitors – Failings in the way the Council dealt with the complainant's expression of interest under Community Right to Challenge Scheme	Upheld	Apology and process review to ensure delays are mitigated against in future.	The Ombudsman found there was a significant delay in dealing with issue	£1000 compensation in addition to Council remedy	No
12. Core – City Treasurers Rev Bens Claim Council Tax recovery action should not have been pursued.	Upheld	Apology, refund of overpayments and enforcement costs	The Ombudsman found that recovery action was inappropriate	In addition to Council remedy proposed £50 time and trouble payment	No
13.Core, Risk and Internal Audit – Failure to	Not upheld	Explanation provided of actions	The Ombudsman found that it was inappropriate not to	Apology	No

Appendix 2 – Lost opportunity for resolution in relation to Ombudsman Upheld Decisions

Case	Council decision	Council remedy	Ombudsman decision	Ombudsman remedy	Decision challenged
verify allegations from an investigation before sharing them		and why they were taken	have verified details before sharing		
14. Growth and Neighbourhoods Planning – Parking issues outside a school affecting a complainant's property	Not upheld	Explanation of decision around enforcement and actions being taken.	The Council failed to ensure the school had an up to date travel plan as part of the planning condition <i>(NB – this was not raised as part of the complaint to the Council)</i>	£200 compensation	Yes
15. Growth and Neighbourhoods Planning – Council approved planning permission despite application containing inaccurate information.	Not upheld	Explanation provided – this did not affect the decision to grant planning permission	The Council was not at fault for its handling of, and decision in, the planning permission – but did fail to note some contradictory information in the Planning application	Apology	Yes
16. Growth and Neighbourhoods Planning – Wrong to grant planning permission on a neighbouring property.	Not upheld	Explanation for the decision taken to recommend planning permission.	The Council failed to deal with some enquiries from the applicant's agent, resulting in misunderstanding about discharge of condition. <i>(NB – This was not raised as part of the complaint to the Council)</i>	Apology	No
17. Growth and Neighbourhoods- behaviour of a Civil Enforcement Officer when issuing a fine for littering.	Not upheld	Explanation of Officer's actions provided and acknowledgement of some error – agreed to cancel the £50 payment of PCN	Ombudsman found that there was faulty in the way that the Notice was issued to a minor and inappropriately involved Manager from her workplace.	Ombudsman proposed increasing the compensation to include refund and £50 time and trouble payment for distress.	No
18. Growth and Neighbourhoods – Legality of eviction	Not upheld	Explanation of Officer's actions when dealing with the issues and the process/decisions taken.	The Ombudsman found that the Council failed to take legal action against a landlord when the complainant faced eviction from his private property	Apology and £350 compensation for the uncertainty	Yes

Appendix 3 – Examples of praise given during 2017-18

Children and Families Directorate

Compliment received from a citizen regarding one of the delivery drivers of equipment and adaptations:

"Just wondered if you could pass on some feedback to the driver, REDACTED, who delivered and fitted the bed lever for REDACTED. She was very impressed with the courtesy and good service from REDACTED and wanted to thank him for doing a good job."

Compliment received from a parent of a service user who was subject to a parenting assessment:

"I've just read the parenting assessment- can I say that it is really good document. Not only did it melt my heart with how lovely they are with her and how well you have been able to capture it- but it's also a really good analytical yet concise document. Pleasure to read!"

Praise for Social Worker:

"I received an email today from X, who was the Guardian for YP. He was very complimentary about REDACTED's practice. I too share X's praise for REDACTED. She took the case on mid-way through proceedings and although it was very complex she managed to work effectively with the parents, build a relationship with the young person and keep the proceedings child focused. I found her very responsive and she kept me updated with all events. I think she has secured the right care plan for the young person and clearly worked hard on the case."

Praise from Childminder about REDACTED, Early Years Quality Assurance Officer:

"REDACTED helped me acknowledge certain key areas which needed improvement in and outside the house. She supported me in identifying any risks around the property and also those risks that I had not noticed. She made sure I had all the up to date material needed and sent me a couple that I was missing. Her input was a great support to me just before Ofsted came to visit. She has always been quick to respond to any queries or questions I have had via email and always been on top of updating me with new information too."

Corporate Core

Praise for Call Centre Agents in the Corporate Contact Centre:

"REDACTED and REDACTED were both very helpful and understanding and I really appreciate REDACTED sending me a link to claim council tax support and that she put my account on hold during difficult circumstances."

"I was really impressed with how REDACTED handled the call, she was dead friendly and the speed of getting the street lights fixed really impressed me. I would give her a box of chocolates if I knew where she lived! She needs a pay rise".

"Thank you for all your help, you are great at your job and have gone that extra mile to help me and provide great customer service. I phone up so many places and they can't wait to get the call over with and you haven't made me feel like that at all, you have wanted to help me. Before speaking to you I was scared to call!"

"I spoke to REDACTED regarding a missed bulky collection, I found him to be patient, knowledgeable, took ownership of the call, was very pleasant to speak to and conscientious. I can't believe he's not off making millions elsewhere! It was almost worth it just to speak REDACTED, genuinely nice guy that knows his stuff."

Praise for the Corporate Complaints Team:

"The problem which you are kindly dealing with has been a chronic problem and I have invoices going back over the last two years when Biffa and their predecessors have failed to empty our bins and we have had to employ private contractors to the tune of £1300. This is why I am so very pleased that we have made personal contact with yourself as the personification of Manchester City Council and with REDACTED who is worthy of high praise for his professionalism, courtesy, expediency and efficiency. I have his contact details and he has mine and I am confident that if problems were to occur in the future we can make contact with each other via mobile phone or email and we can address matters quickly with only days rather than weeks passing before the situation is remedied. Thank you for giving this matter your kind attention. It is most reassuring that there are Manchester City Council professionals so ready and willing to assist citizens in stressful situations and resolve their difficulties. "

"I certainly appreciate the work you have put in on my freedom of information act request as I work in information access myself. You handled my previous request impeccably and the irritation that spurred this one has abated. Kudos, MCC. If you have a compliments procedure please consider this a comment on your excellent work."

The Neighbourhoods Service

Praise for Waste Contractor Operative from Biffa:

"I've just witnessed a loader on a paper round at the bottom of Palatine Road really go out of his way to pick up some spilt waste. His colleagues were shouting at him to hurry up but he really made a big effort to make sure he had cleaned up properly and wasn't rushed away by his driver. It was quality workmanship and hopefully this can get passed on that it was noticed and appreciated"

Praise for worker from Blackley Cemetery:

"Thank you so much to REDACTED for the hard work put in to finding us a cremation plot in Blackley Cemetery that was close to a family grave. REDACTED spent many hours helping the family and we are all very grateful"

Praise sent in from a City Centre Tour Guide:

"I've just taken a group of Dutch planners around the city centre. I expected to have to apologise about all the litter but couldn't find any!"

Praise received regarding appearance of city centre

"Periodically we travel by tram from Rochdale to media city, through the city centre; last week we were struck by the cleanliness of the streets, the noticeable lack of litter, and the generally clean and tidy appearance of Manchester, from Victoria station to Castlefield. It was a pleasure to see."

Praise for Manchester Markets:

"At short notice and during what is a very busy time, markets staff supplied and erected gazebos and tables at the Moston Lane Christmas Lights Switch On. Also, The District Market Manager offered advice and support in terms of event management, health and safety and insurance requirements, helping the local community provide a safe and successful event. Both the local members and the community were impressed with the help and support provided by Manchester Markets"

Compliment for a Highways Operative:

"This worker was working on the tarmac today near Emmanuel Church. I had a shopping trolley which was heavy as I had shopping in it and the worker lifted the trolley over the road for me and then he took my arm and helped me over the road. This young man made my day and I have told everybody about him. I had to ring up as I felt he deserved to be rewarded. Please can this be passed on to the relevant team?"

Audit Committee: Work Programme 2018/19

Meeting Date – 3 September 2018 10am 110 minutes
(Report deadline 22 August 2018 ** DUE TO AUGUST BANK HOLIDAY)

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Risk Review Item: Adults Assurance Update	Dr Carolyn Kus	Executive Director for Strategic Commissioning and Director of Adult Social Care Services	During 2017/18 Internal Audit issued four limited assurance opinions relating to adult services. The Executive Director provided a report to Audit Committee in March 2018 confirming actions being taken to address risks. This report will provide an assurance update on progress made. <i>To consider and comment</i>	4.1	25
Risk Review Item: ICT Disaster Recovery Planning	Bob Brown	Director of ICT	In October 2017 Audit Committee were provided with a report on the plans to develop ICT resilience and disaster recovery capacity within the Council. This report will provide an assurance update on progress. The report will also include an update on progress as requested at July Audit Committee in respect of ICT Code of Connection compliance to secure ongoing access to the Public Services Network <i>To consider and comment</i>		25
Risk Review Item: Childrens Services Audit Recommendations	Paul Marshall	Director of Childrens Services	As requested at July Audit Committee this report will provide an update on actions taken and proposed following internal audit recommendations in respect of the Foster Cares Framework and Multi Agency Safeguarding Hub. <i>To consider and comment</i>		20

Risk Review Item: Disclosure and Barring Service (DBS)	Tom Powell	Head of Audit and Risk Management	As requested at July Audit Committee this report will explain the functions, roles and responsibilities regarding DBS checks and actions taken in response to the most recent Internal Audit of DBS.		15
Annual Complaints and Enquiries report 2017/18	Lucy Knight Kate Waterhouse	Complaints Manager Head of Performance, Research & Intelligence	To provide Committee with assurance over the Council's arrangements and processes to respond to enquiries and complaints. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

Meeting Date – 8 October 2018, 10am

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Meeting to be cancelled and time used for Training and Development Session, to be hosted at Mazars (1 St Peters Square).					
To focus on:					
<ul style="list-style-type: none"> • Role of External Audit (led by Karen Murray, Mazars) • Governance (led by Kate Waterhouse, Courtney Brightwell and/or Sean Pratt) 					

Meeting Date – 5 November 2018, 10am (Report deadline 26 October 2018) 125 minutes

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Internal Audit Assurance Report	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Summary of internal audit activity and report opinions to the end of quarter two. <i>To consider and comment</i>	4.4	20
Outstanding Audit Recommendations	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Update on the implementation of internal and external audit recommendations for each Directorate to the end of quarter two. <i>To consider and comment</i>	4.4	15
Annual Governance Statement Update	Courtney Brightwell	Performance Manager	Summary of the progress in implementing recommendations from the Annual Governance Statement. <i>To consider and comment</i>	1 3 4.10 4.12	20
	Kate Waterhouse	Head of Performance, Research & Intelligence			
Register of Significant Partnerships Update	Courtney Brightwell	Performance Manager	Half Year Update on actions taken to strengthen and develop arrangements with significant partnerships <i>To consider and comment</i>	1 3 4.10 4.12	20
	Kate Waterhouse	Head of Performance, Research & Intelligence			
Treasury Management (Interim) Report	Carol Culley Janice Gotts Karen Gilfoy	City Treasurer Deputy City Treasurer Chief Accountant	Update on the Treasury Management activities of the Council. <i>To consider and comment</i>	4.11	10

	Tim Seagrave	Finance Lead			
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor	2 4.7	10
Risk Review Item: Contract Management and Governance	Lucy Makinson	Head of Integrated Commissioning	Contract Management and Governance Update on actions taken to improve and strengthen contract management and governance as confirmed in report to Audit Committee January 2018. <i>To consider and comment</i>	4.1	25
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

Meeting Date – 10 December 2018, 10am (Report deadline 29 November 2018) 95 minutes					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Annual Audit Letter	Mark Heap	External Audit (Grant Thornton)	Report from the External Auditor on the overall findings and recommendations resulting from the 2017/18 annual audit plan. <i>To consider and comment</i>	2 4.7	10
Grants Certification Report	Mark Heap	External Audit (Grant Thornton)	Report from the External Auditor in respect of the audit of grant returns 2017/18, any issues arising and associated fees. <i>To consider and comment</i>	4.7	10
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor in respect of the 2018/19 external audit	2 4.7	10
Review of Code of Corporate Governance	Courtney Brightwell Kate Waterhouse	Performance Manager Head of Performance, Research & Intelligence	To consider and comment on the updated Code of Corporate Governance <i>To consider and comment</i>	1 3 4.10 4.12	20

Risk and Resilience Strategy and Corporate Risk Register	Tom Powell John Gill	Head of Audit and Risk Risk and Resilience Manager	Corporate risk update and corporate risk profile as articulated in the latest refresh of the corporate risk register.	4.1	20
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

Meeting Date – 14 January 2019, 10am (Report deadline 6 January 2018)

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
No Business Planned					

Meeting Date – 11 February 2019, 10am (Report deadline 3 February 2019) 100 minutes

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Internal Audit Assurance Report	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Summary of internal audit activity and report opinions to the end of quarter three. <i>To consider and comment</i>	4.4	20
Outstanding Audit Recommendations	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Update on the implementation of internal and external audit recommendations for each Directorate to the end of quarter three. <i>To consider and comment</i>	4.4	15
Register of Significant Partnerships	Courtney Brightwell	Performance Manager	Summary of the progress in implementing recommendations arising from the register of significant partnerships. <i>To consider and comment</i>	4.10 4.12	20

Meeting Date – 11 February 2019, 10am (Report deadline 3 February 2019) 100 minutes					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
	Kate Waterhouse	Head of Performance, Research & Intelligence			
Accounting Concepts and Policies, Critical Accounting Judgements and Key Sources of Estimation Uncertainty	Carol Culley Janice Gotts Karen Gilfoy	City Treasurer Deputy City Treasurer Chief Accountant	To explain the accounting concepts and policies, critical accounting judgements and key sources of estimation uncertainty that will be used in preparing the accounts. <i>To consider and comment</i>	1 4.9	10
External Audit Progress Report and Update	Karen Murray	External Audit (Mazars)	Update on the work of the External Auditor	2 4.7	10
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

Meeting Date – 11 March 2019, 10am (Report deadline tbc)					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
No Business Planned					

TBC Meeting Date – 15 April 2019, 10am (Report deadline 4 April 2019) 130 minutes

Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Draft Annual Governance Statement (AGS)	Courtney Brightwell Kate Waterhouse	Performance Manager Head of Performance, Research & Intelligence	To advise the processes followed to produce the AGS and obtain Audit Committee input to the draft statement. <i>To consider and comment</i>	1 3 4.10 4.12	30
Review of Internal Audit and Quality Assurance Improvement Programme (QAIP)	Carol Culley	City Treasurer	To consider organisational arrangements for the delivery of internal audit in line with legislation and Public Sector Internal Audit Standards. To include review of Audit Committee Terms of Reference and Internal Audit Charter. <i>To consider and comment</i>	3	15
Head of Audit and Risk Management Annual Opinion	Tom Powell	Head of Audit and Risk	Head of Internal Audit and Risk Management Annual Opinion on the Council's systems of governance, risk management and internal control as well as a summary of audit work undertaken in the year. <i>To consider and comment</i>	4.6	30
Annual Internal Audit Plan	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	To provide the Internal Audit Strategy and annual internal audit work plan for Audit Committee consideration in line with Public Sector Internal Audit Standards. <i>To review and approve</i>	4.2 4.3	20
Audit Strategy Memorandum	External Audit	Karen Murray (Mazars)	To provide an overview of the planned scope and timing of the annual external audit for 2018/19. <i>To consider and comment</i>	2 4.7	10
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk.	4.1	20

TBC Meeting Date – 15 April 2019, 10am (Report deadline 4 April 2019) 130 minutes					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
			<i>To consider and comment</i>		
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

TBC Meeting Date – June 2019, 10am (Report deadline tbc) 95 minutes					
Item	Lead Officer	Position	Comments	AC ToR	Time on agenda
Internal Audit Annual Report	Tom Powell Kathryn Fyfe	Head of Audit and Risk Audit Manager	Report of internal audit activity for the year. <i>To consider and comment</i>	4.4	10
Draft Annual Statement of Accounts	Carol Culley Janice Gotts Karen Gilfoy	City Treasurer Deputy City Treasurer Chief Accountant	To report the Annual Accounts prepared for submission to the external auditor for review. <i>To consider and comment</i>	1	30
Revenue Budget Outturn Report	Carol Culley	City Treasurer	To report the revenue outturn for the year as reported to Executive. <i>To note</i>	1	5
Capital Budget Outturn Report	Carol Culley	City Treasurer	To report the capital outturn for the year as reported to Executive. <i>To note</i>	1	5
Response letters from City Treasurer and Audit Committee Chair to the External Auditor	Carol Culley	City Treasurer	Draft responses proposed to be issued to the External Auditor from the City Treasurer and the Audit Committee Chair for the audit of the accounts	1	5
Treasury Management (Outturn) Report	Carol Culley Janice Gotts Karen Gilfoy Tim Seagrave	City Treasurer Deputy City Treasurer Chief Accountant Finance Lead	To report the Treasury Management activities of the Council for the year. <i>To consider and comment</i>	4.11	10
External Audit Progress Report	Karen Murray	External Audit (Mazars)	Update from the External Auditor in the delivery of the external audit plan	4.7	5

			<i>To consider and comment</i>		
Risk Review Item	Tom Powell	Head of Audit and Risk	Update reports from officers on areas of focus to be agreed by Committee arising from limited/no assurance Internal Audit reports, outstanding audit recommendations or management of risk. <i>To consider and comment</i>	4.1	20
Work Programme and Audit Committee Recommendations Monitor	Andrew Woods	Governance Team Leader			5

Audit Committee Terms Of Reference: As Constitution May 2018 (Part 3 Section C)

AUDIT COMMITTEE

1. To consider and approve the authority's statement of accounts, including the Annual Governance Statement in accordance with the Accounts and Audit Regulations 2015.
2. To consider, as soon as reasonably practicable, the annual letter from the external auditor in accordance with the Accounts and Audit Regulations 2015 and to monitor the Council's response to individual issues of concern identified.
3. To consider the findings of the Council's annual review of the effectiveness of its system of internal control under the Accounts and Audit Regulations 2015, including the effectiveness of its system of internal audit.
4. In furtherance of the Council's duty to make arrangements for the proper administration of its financial affairs and the Committee's responsibilities under the Accounts and Audit Regulations 2015 set out above:
 - 4.1 To obtain assurance over the Council's corporate governance and risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.
 - 4.2 To review and approve (but not direct) the terms of reference for internal audit and an Internal Audit Strategy.
 - 4.3 To review and approve (but not direct) the internal annual audit programme considering the effectiveness of proposed and actual coverage in providing adequate assurance over the Council's arrangements for governance, risk management and system of internal control.
 - 4.4 To monitor the implementation and outcomes of the Council's internal audit programme and where required, to review summary and individual audit reports with significant implications for financial management and internal control.
 - 4.5 To seek assurance on the adequacy of management response to internal audit advice, findings and recommendations in the form of implementation of agreed action plans.
 - 4.6 To receive the Annual Report of the Head of Internal Audit.

- 4.7 To consider the external auditor's annual letter, relevant reports and the annual report to those charged with governance on issues arising from the audit of the Statement of Accounts.
- 4.8 To engage with the external auditor and external inspection agencies and other relevant bodies to ensure that there are effective relationships between external and internal audit.
- 4.9 To make recommendations to the Chief Finance Officer and Monitoring Officer in respect of Part 5 of the Council's Constitution (Financial Regulations).
- 4.10 To consider the Code of Corporate Governance.
- 4.11 To monitor the performance of the Treasury Management function including:
 - approval of / amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
 - budget consideration and approval
 - approval of the division of responsibilities
 - receiving and reviewing regular monitoring reports and acting on recommendations
 - approving the selection of external service providers and agreeing terms of appointment.
- 4.12 To consider and advise the Council on the Annual Governance Statement.

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