

Minutes

REGULATORY AND AUDIT COMMITTEE

MINUTES OF THE MEETING OF THE REGULATORY AND AUDIT COMMITTEE HELD ON WEDNESDAY 18 NOVEMBER 2015 IN MEZZANINE ROOM 2, COUNTY HALL, AYLESBURY, COMMENCING AT 9.00 AM AND CONCLUDING AT 12.15 PM.

MEMBERS PRESENT

Mr T Butcher (Vice-Chairman)
Mrs A Davies
Mr P Hardy
Mr D Martin
Mr R Scott (Chairman)

OTHERS IN ATTENDANCE

Mr L Ashton, Committee Assistant
Mrs A Castielli, Statutory Complaints Officer, Buckinghamshire County Council
Mr I Dyson, Chief Internal Auditor
Ms J Edwards, Pensions and Investments Manager
Mr T Fish, Officer, Innovation and Commercialisation Team
Ms L Forsythe, Group Solicitor and Deputy Head of Legal Services
Ms M Gibb, Risk and Insurance Manager
Ms M Granat, Head of Innovation and Commercialisation
Ms P Hook, Senior Procurement Manager
Mr Z Mohammed, Cabinet Member for Education
Ms M Moore, Statutory Complaints Officer
Mr D Pickering, Trading Standards & Regulatory Services, Trading Standards
Ms A Poole, Trading Standards Manager
Ms K Reed, Customer Complaints Manager, BCC
Mr R Schmidt, Assistant Service Director (Strategic Finance), Assistant Service Director (Strategic Finance)
Mr M Ward, Manager, Grant Thornton Auditors

1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies were received from Alan Stevens.



INVESTOR IN PEOPLE



2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

The minutes of the meeting held on 23 September 2015 were agreed as a correct record.

Updates were provided on actions identified in the minutes as below.

P.9 Counter-Fraud update – Action: Ian Dyson. **Ian Dyson confirmed that this investigation remains ongoing.**

P.9 Business Assurance Update – Action: Ian Dyson. **Ian Dyson advised that this was discussed at the most recent meeting of the Risk Management Group and it was expected that an update would be brought back to this committee in February 2016.**

P.11 Bucks Learning Trust Governance – Action: Risk Management Group. **It was confirmed that the BLT risk register was brought to the Risk Management Group and was in the process of being scrutinised.**

P.13 Business Continuity Management Update –Action: Andrew Fyfe. **It was confirmed that this item was already on the forward plan to be discussed by the Committee at the next meeting.**

4 BUCKS LEARNING TRUST ACTION PLAN

Zahir Mohammed presented the report on the Bucks Learning Trust (BLT) improvement plan and summarised the following key points:

- The improvement plan had been formulated following issues having been identified with the operation and governance of BLT. The decision had been made to review the funding agreement and a paper went to the One Council Board on 4 November.
- Much progress was said to have been made in terms of the actions which had been RAG rated and could be seen on pages 22-25 of the agenda pack. In respect of pages 26-39 in the agenda pack those actions highlighted green had been dealt with and those highlighted amber had dates to be implemented.
- The BLT governance proposal document had been implemented and new trustees were being advertised for. One application had been received so far and advertising would be advanced further to encourage more applications. There had originally been 20 trustees on the BLT board and it was advised that the plan was to now reduce this number to 6 quality trustees.
- The Exit Plan had been received and had been reviewed.

- The Business Continuity Plan action had now been implemented and the BLT risk register had been updated and reviewed. The Risk Manager had not yet reviewed the BCC risk register but was aware of her team having seen the register and would shortly review it herself.
- Annual spot check of complaints - section 11 audit had been completed and KPI monitoring was ongoing as part of the revised governance proposal.
- The Early Payment of April 2015 Grant on page 36 of the agenda pack had now been implemented and the appropriate process to get this authorised would now be taken.
- Debts that are more than 90 days old would be investigated with the relevant budget holders and this would be implemented by 30 November 2015. It was confirmed that officers are in the process of chasing these debts.
- The financial reporting requirements on page 38 of the agenda pack were now green and the BLT had been reminded that agenda items and report items at annual reviews should be applied in line with the funding agreement. Termly monitoring reports would be introduced by 31 December 2015.
- BLT's performance in respect of delivering services was described as good and the engagement with BCC was described as positive. The operation itself was said to be working well with schools. OFSTED had reported a good rating of the work being done.
- BLT had appointed a full time CEO internally. Amanda Taylor-Hopkins had been confirmed as the CEO and it was said that she had been at the Trust for a considerable amount of time and the BLT would be held accountable through the newly formed BLT Commissioning Group.

Member Questions

Questions 1 & 2

- A Member questioned whether there were any trustees in place presently or all had been removed in which case where was the governance and could those who had been in place re-apply?
- It was also asked how many trustees BCC would appoint to the new reduced board of trustees and what was the target date for the appointment of the new trustees by both BCC and BLT respectively.
- Zahir Mohammed advised that he would get clarity on each of the above questions and clarification would be provided to the Chairman within the next week. Ian Dyson provided an update and advised that it had been confirmed as accurate by the Contract Manager that there were still currently 8 trustees acting. Sue Imbriano was said to be the only BCC Trustee. Zahir Mohammed added that he would also provide clarity on whether Sue Imbriano would need to reapply as a Trustee.

Action: Zahir Mohammed

Question 3

- A Member asked what the monetary figure of the total debts exceeding 90 days was.
- Zahir Mohammed advised clarity would be provided to the Chairman on exact figures within the next week.

Action: Zahir Mohammed

The Chairman thanked Zahir Mohammed for the update provided.

5 CONTRACT MANAGEMENT APPLICATION PERFORMANCE REPORT

Michelle Granat and Tony Fish attended to present this report.

- It was summarised that the concept of Supplier Relationship Management (SRM) was introduced in 2011. A Contract Management Application (CMA) was also developed in September 2014 to assist Contract Managers and support the new Contract Management Framework (CMF) processes.
- Significant action was required to effectively manage the risks and improve management controls to monitor service area compliance in uploading contracts and information onto the CMA. A training programme had been established for Contract Managers across the organisation to ensure a consistent approach in managing value and risk with suppliers.
- In July 2015 accountability for SRM transferred to the Innovation & Commercialisation team and following unsuccessful attempts to recruit a permanent SRM lead the position had been filled on an interim basis by Tony Fish in August.
- A strategic review of contract management commenced in August, including addressing recommendations of the internal audit report. The CMF would be renamed to become the Supplier Management Policy to reflect the true scope of activity. This policy would also provide guidance on use of CMA and reporting protocols.
- Tony Fish reported that a great deal of work had been put in to review what was in place and identify areas for improvement. The six bullet points listed at the bottom of page 42 of the agenda pack were explained. The contract self-assessment and improvement programme (bullet point 4) would be rolled out in 2016 and a strategic supplier programme would also be run. It was advised that these recommendations would require time to be implemented.
- The outline reporting requirements were listed at the top of page 43 of the agenda pack. These included a quarterly reporting cycle; forward plan of upcoming commercial decisions; high level RAG status for high risk/high value suppliers/contracts; exception reporting on contracts where supplier performance is a concern and improvement activities are in place. Subject to implementing the necessary technical changes it was

expected that this reporting would start in Quarter 1 of 2016. It was advised that there were costs involved in improving CMA and a business case would require writing.

- 8 priority findings identified by the Internal Audit Report were referred to which could be seen in detail on page 43 of the agenda pack. It was confirmed work was being done to address all points.
- Page 44 of the agenda pack provided details on the CMA Performance Report which included a table summarising the updated position since the last report to the Regulatory and Audit Committee in June 2015. Tactical actions were now being taken to resolve remaining individual and unique data queries.

Member Questions

Question 1

- A question was asked whether support had been received from the One Council Board (OCB) to get this culture out across the organisation.
- Tony Fish advised support had been received and briefing sessions had been held with OCB Members to discuss recommendations. As well as implementing the six point plan it was confirmed that phase 3 of the scope of the review would be to complete an options appraisal of SRM and contract management in BCC.

Question 2

- A Member asked for clarification on training that had been provided to the Contract Managers.
- Tony Fish explained that a comprehensive programme had been completed with 120 Contract Managers which involved two day courses of both theory and practical exercises. The course was said to provide enough knowledge to manage a significant contract although it was acknowledged that all contracts differ with some Contract Managers requiring more in depth expertise. Advanced training would be provided where identified as being required. As part of best practice it was said that self-assessment is a process all contract managers would need to go through to identify gaps in knowledge. It was suggested that bronze contract managers may not yet have received training and it was said that training for these low risk, low value contracts could be provided from line manager or another contract manager.

Question 3

- It was queried whether quarterly reporting would be reported to this committee.
- It was confirmed that this would happen and segmentations and risks would be detailed. Any contract management issues would be highlighted and assurance provided to the Committee that these were being worked on.

Question 4

- The question was asked about commercially sensitive information being shared in the public domain at this Committee.

- It was said that reporting would need to be managed as difficult positions could arise. Options discussed were to give an overview in the Committee and discuss in detail during an exempt session. Another option was to look at the issues during Risk Management Group meetings which can then be tracked by this Committee. Michelle Granat advised that more thought would be given to this and a way to address the issue would be included in the report back to the April Regulatory and Audit Committee.

RECOMMENDATION

- 1. Present update to Regulatory and Audit Committee in April 2016**
- 2. Ongoing update via quarterly reporting from Q1 2016.**

DECISION

The Committee agreed to the above recommendations.

The Chairman thanked Michelle Granat and Tony Fish for their report.

6 TREASURY MANAGEMENT UPDATE

Julie Edwards presented the Treasury Management Mid-year report and provided information on the following key points:

- The Council is expecting to pay a single bullet payment of £180m in 2016/17 in respect of the Energy from Waste Plant. It was said that there was the provision to borrow up to £50m.
- The average return on investments was 0.83% which exceeded the weighted average LIBID benchmark of 0.52%.
- Loans outstanding totalled £175.7m at 30 September 2015 and it was anticipated that this amount would reduce to £164m in February 2016.

Member Question

- A Member asked for clarification that the Council actively monitored debt restructure options and had not taken up these opportunities due to the decrease in interest rates and premiums required to repay borrowing.
- This was confirmed as accurate. It was further said that there are no plans to use the borrowing capacity of up to £50m.

RECOMMENDATION

The Committee is asked to NOTE the treasury and investment borrowing performance and the monitoring against the Prudential Indicators.

RESOLVED

The Committee NOTED the above recommendation.

The Chairman thanked Julie Edwards for her report.

7 CONTRACT STANDING ORDERS- EXEMPTIONS/BREACHES

Patricia Hook presented the report and provided updates on the following key points:

- Since organisational changes that took effect in April 2015 the number of exemptions had fell significantly.
- The Public Procurement Regulations changed in February 2015. As part of these changes there was a requirement for local authorities to publish contract opportunities and award notices on Contracts Finder to allow more visibility and transparency. Lapses had been monitored by the Crown Commercial Services (CCS) and the Council had lapsed on three occasions. At present the CCS had been naming and shaming authorities but had made reference to further sanctions being introduced from February 2016. These sanctions had not been clarified but reference had been made to this being a financial penalty. It was said that steps had been taken to communicate this to the wider organisation as often quotes are conducted at Business Unit level. Marcus Ward advised that he had not been aware of communications to external auditors in respect of sanctions.
- The requirement to publish opportunities was linked to local CSO and for Buckinghamshire this meant that the local threshold of £173k would apply.
- There had been two potential breaches of EU Regulations this year which could be seen at the bottom of page 80 of the agenda pack. Guidance had been issued to Managing Directors of Business Units to remind of the process to follow when in breach.
- With the CMA being updated more information would be available around contract pipeline opportunities so it was said the risk of issues slipping through the net would lessen. Patricia Hook advised that the Procurement Team have been contacting Contract Managers to remind them of contracts coming to an end and to gain the intentions of recommissioning / decommissioning and whether support from the team would be required.
- It would be clarified at the front end of the process whether an issue is a key decision which would provide better governance with Members required to sign a key decision before contracts would go out to tender.

Member Questions

Question 1

- A member asked how it would be ensured that information would be passed across the whole organisation.
- Patricia Hook advised that the usual channels of communication were being taken which included information sharing through Swan Vision and Managers Briefings. It was also being highlighted in user guides for anyone new to the system to attend a drop in

session with the Procurement Team. A report would shortly be able to be run which would highlight internally any areas not applied.

Question 2

- It was asked what frequency this Committee would receive a report.
- Ian Dyson advised a half yearly report would be relevant.

Question 3

- A Member expressed concern at lapses and asked how the breaches happened.
- Patricia Hook advised that this could be down to resources or poor planning. Occasionally a number of contracts expire at the same time and if it made commercial sense to aggregate them together this could result in a breach but provide better value in the longer term. Patricia Hook added that she did not believe there had been more breaches now than there had been in the past although they were now more visible.

RECOMMENDATION

Members are asked to note this report.

RESOLVED

The Committee noted the report.

The Chairman thanked Patricia Hook for her report.

8 ANNUAL REPORT ON FEEDBACK AND COMPLAINTS PROCEDURE

Kate Reed attended and presented this report and updated the Committee on the following points:

- There had been a drop in the overall number of complaints recorded. An increased amount of contacts had however been made with contacts only being put through the complaints process where necessary. Work had increased where the team had acted as mediators to find a local resolution.
- It was said that it could not be guaranteed that the team see 100% of complaints made. The Complaints Team had actively worked with teams in the business units to promote the team and encourage complaints be recorded in one central place.
- Analysis had been completed and at stage 1, 59% of all non-statutory complaints were attributable to Transport for Buckinghamshire. The figures were very similar to those of the prior year with the most common reasons for complaints being linked to a delay or failure to be kept informed or in relation to a communication issue. Other issues included quality of service, staff conduct, SLA failure and non-adherence of procedure. The Central Complaints Team had continued work to make improvements and there had been a consistent approach in the investigation of complaints.

- The total number of stage 1 complaints received was 471, the total number of stage 2 complaints was 117, and the total of stage 3 complaints was 43. Stage 1 and 2 complaints had reduced from last year whilst stage 3 was also slightly down on last year.
- A copy of the Local Government Ombudsman (LGO) Annual Review Letter was attached to the agenda pack. The Council assumed that from lack of comment that the Ombudsman had not identified any specific areas of serious concern. The 40 additional LGO cases were unknown to the council, except for a small number of 'premature' complaints (which were formally referred back to the council by the LGO to be put through the Council's relevant complaints procedure).
- There had been a decrease in the number of compliments recorded although it was said this did not necessarily mean less compliments had been made rather that they had not all made their way to the Central Complaints Team.
- A new system had been procured and was currently being developed to go live in 2016. The benefits of this included joint working with all areas of the Council so that a more efficient and consistent approach for the customer would be provided.
- Changes to the 3 stage process had been agreed. Stage 1 would now be dealt with by a Senior Manager. Stage 2 would then be the equivalent of the current stage 3. This would save officer time and reduce the length of time a customer is in the complaints process.

Member Questions

Question 1

- A Member asked whether any benchmarking had been done against other Local Authorities.
- Kate Reed explained that this had been difficult to do with corporate complaints although had been done in respect of statutory complaints (discussed during agenda items 9 and 10). It was said that many authorities do not have a central complaints system.

Question 2

- The question was asked whether any complaints had been made which could have been detrimental to the reputation of the council.
- Kate Reed confirmed that in the absence of anything in the LGO annual review letter it was assumed that there had been no significant concerns.

Question 3

- A Member asked how complaints were monitored that had been made to third parties such as TfB or BLT.

- Kate Reed advised that as part of the contract monitoring the Central Complaints Team do not see them although it was believed that Contract Managers monitor these. A Member commented that complaints on outsourced contracts should be visible and it was said that this would be the ambition with CMA. Kate Reed explained that work was being done alongside the Innovation and Commercialisation Team to improve on the collection of complaints data for contracted out services. Lynda Forsythe added that there was now a requirement for contractors to provide data quarterly to the Council in a certain format and it would be explored how this would be logged by Contract Managers. It was said that complaints should be a standing item on the agenda of Contract Management meetings.
- Ian Dyson advised that complaints were key and add cost to a contract. Due to this there should be very clear evidence of an effective complaints procedure. Ian Dyson recognised that other mechanisms would be beneficial in establishing how customers feel about the service they receive and assurances were needed that complaints are being dealt with by services on the Council's behalf.

Question 4

- A Member asked whether regular complainants were dealt with in a different manner to those who may have had more genuine grievances. The Member added that all complaints incur a cost and so may not necessarily need to follow the same process.
- It was advised that all complaints had been recorded although the Complaints Team does have ways of managing persistent customers who frequently complain and the team had been careful not to take on complaints which had already been through the process.

Question 5

- A Member asked whether complaints had reduced or whether contacts had just been reassessed to change the way complaints had been recorded.
- Kate Reed explained that some contacts are service requests and not necessarily complaints and so contacts had been assessed differently. However if a customer says they wish to make a complaint it would never be refused.

RECOMMENDATION

Members should note and comment on the report.

RESOLVED

Members noted and made comments on the report.

The Chairman thanked Kate Reed for the report.

9 HEARING THE CUSTOMER'S VIEW- ANNUAL REPORT- CHILDREN AND YOUNG PEOPLE'S SOCIAL CARE

Maxine Moore attended and presented this report and updated the Committee on the following points:

- There had been a decrease in compliments received this year from last year. This was described as disappointing as in previous years Children and Young Peoples Social Care had consistently received more compliments than complaints. The Business Unit had been reminded that staff need to record these comments in one place. Positive examples of compliments from young people could be seen at the top of page 108 in the agenda pack.
- 62 formal complaints had been managed through Stage 1 of the Statutory Complaints procedure during the year. This compared to 61 in 2013/14. There had been a slight increase in the number of contacts received by the Complaints Team.
- Statutory complaints have guidelines set around response times. 10 working days was the set timescale for a formal response, although this could escalate to 20 if deemed complex. The average response time had been 17 days which was a decrease from last year when it was 12.
- There were 11 complaints managed through Stage 2 this year and a further 7 complainants who made contact with the Complaints Team expressing dissatisfaction with the outcome of their Stage 1 response. Of the 11 Stage 1 complaints that escalated to Stage 2, all but one finding remained the same.
- There were 4 Stage 3 Review Panel hearings convened.
- Parents had been the highest category of complainant and many complaints related to outcome of decision/assessment, quality of service provided and lack of communication.
- Independent investigations particularly at Stage 2 were said to highlight recommendations for learning that the Council may wish to adopt. Maxine Moore advised that the Council had been good at implementing this learning.
- Frontline staff training had been rolled out this year which raised awareness of the complaints process and bespoke training was also provided to managers.

Member Question

- A Member commented that 62 complaints seemed a relatively small number given the complexity of the service and asked whether benchmarking had been done with other authorities.
- Maxine Moore advised that the Eastern Regional Complaints Group meet quarterly and the number of complaints in this business area is on par with other authorities. It was said that there had been a rise in particularly complex complaints within Childrens and Young Peoples Social Care over this last reporting year.

Member Comment

- A Member commented on the 5142 referrals having been received via First Response and suggested that each of these contacts could lead to a complaint so could be included in the complaints received portion of the report for future meetings to give a greater perception of proportion.

RECOMMENDATION

Members should note and comment on the report.

RESOLVED

Members noted and made comments on the report.

The Chairman thanked Maxine Moore for the report.

10 ADULTS SOCIAL CARE COMPLAINTS PROCEDURE, MAKING EXPERIENCES COUNT

Amy Castielli attended and presented this report and updated the Committee on the following points:

- The Statutory Adult Social Care complaints procedure is a one stage process with the target being to resolve issues at the first point of call.
- The number of compliments received was described as disappointing and encouragement had been given to the Business Unit to ensure compliments were being recorded in one place.
- 68 formal complaints had been investigated in 2014/15 which had reduced from the previous year's 101 in 2013/14 and 108 in 2012/13.
- In addition to the number of complaints investigated a further 94 contacts were received by the Complaints and Information Team. These issues were resolved to the satisfaction of customers within a 48 hour period.
- Overall there were 162 contacts made by customers to the Complaints Team which was an increase on the 56 received in 2013/14. An increase in the amount of complaints being resolved through early resolution may have resulted in some complaint information not reaching the Statutory Complaints Officer and it was said that it was important that these complaints or concerns were recorded centrally. Frontline staff had received training during the year.
- The average response time for managing Adult Social Care complaints was 54.25 days.
- The Local Government Ombudsman carried out 3 detailed investigations. Of the complaints that were considered 2 were not upheld and 1 was upheld. Lessons had been learnt from this.
- The majority of complaints last year were said to have related to domiciliary care providers. Another high proportion of complaints were in relation to care assessments.

- 43% of complaints were upheld; a further 29% were partially upheld. Enquiries from MP's were also now being dealt with in the team.

Member Question

- A Member asked whether figures were provided on a quarterly basis to management meetings.
- Amy Castielli advised that quarterly reports were provided to management and explained that it had been proposed to Directors that acknowledgment letters could be sent to customers as a way of bringing complaints down in respect of delays in assessments.

RECOMMENDATION

Members should note and comment on the report.

RESOLVED

Members noted and made comments on the report.

The Chairman thanked Amy Castielli for the report.

11 ANNUAL ENFORCEMENT OF THE CHILDREN & YOUNG PEOPLE (PROTECTION FROM TOBACCO) ACT UPDATE

Amanda Poole and David Pickering attended and presented this report which is brought to the Committee annually and updated the Committee on the following points:

- There had been a high level of compliance in Buckinghamshire for statutory warning notices to be displayed in premises where tobacco was sold.
- Public Health colleagues had been closely worked with to help increase the awareness of the danger of smoking for young people.
- It was said that a number of activities had been carried out throughout the year looking out for illegal tobacco. As it was of lower cost this had tended to enable greater access to children and those deprived. 491 packs were found in a light fitting of one searched premise; the same shop had hidden them behind a wall panel the previous year. A licence review had been carried out and as a result had been revoked. A second premise had sold illegal tobacco/alcohol which caused the licence to be revoked and a third premise received a 3 month licence revocation for the sale of illegal tobacco.

Member Questions

Question 1

- A Member asked whether the number of test purchasers (mystery shoppers) had been reduced.

- Amanda Poole advised that in the past test purchasers would go out routinely although the introduction of RIPA had meant a high level of intelligence was now needed on a certain premise so the authority is limited in ability to use test purchasing.

Question 2

- A Member asked whether there had been any warnings or fixed penalties issued by regulatory officers in respect of the Smoke Free Vehicle Regulations.
- Amanda Poole advised that there had not been and this issue had presented challenges. This would require some partnership working with Police as Regulatory Officers do not hold the power to stop a vehicle.

Question 3

- A Member questioned if there had been any prosecutions in Buckinghamshire against shopkeepers selling tobacco products to underage children.
- Amanda Poole explained that there had not been and it had been difficult to identify in a consistent enough way to prove intelligence for a magistrate to sign off a case.

Member Comment

- In respect of plain packaging which was set to come into force in May 2016, a Member commented that this could cause issues as it would not be known what was in the packet and the tobacco products could be imported or worse.
- Amanda Poole acknowledged this would present a challenge and advised that this comment would be taken on board.

RECOMMENDATION

To note and agree the report as a reflection of activity over the financial year 2014 –2015 and agree the programme of enforcement activities to be undertaken in 2016 –2017 as detailed below:

The work on tobacco issues which will focus on the Public Health strategy of addressing the “big issues” to improve the health and wellbeing of residents will include:

- **Continue to participate in and actively assist the Public Health Agenda with its projects and initiatives that fit within our enforcement activities outlined below and develop Trading Standards initiatives where they are felt necessary.**
- **Establishing the prevalence of sales of illegal tobacco (both counterfeit and nonpaid duty) and intervening appropriately with regulatory partners to reduce this**
- **Use local, regional and national intelligence to ensure we target our resources appropriately.**
- **Promote the use of the Challenge 25 Training Pack to help prevent under-age sales by local retailers**

- **Ensure that revised statutory warning notices are displayed in premises where tobacco is sold and advise traders about both current and new legislative requirements the legislation.**
- **Ensure that the restrictions of both price marking and visual display requirements of tobacco products in retail premises are adhered to.**
- **Continue to upgrade intelligence data from all viable sources, and where appropriate explore alternative means of detecting sales (other than by test purchases) to enable appropriate enforcement action to be taken against traders who sell to children. The Better Regulation Delivery Office Code of Practice for Regulatory Delivery on Age Restricted Products and Services to be followed. [Note: when Trading Standards previously conducted test purchases, established procedure was to covertly film the sale. This was done for both evidential purposes and Health and Safety reasons. The Regulation of Investigatory Powers Act 2000 covers all covert surveillance operations carried out by local authorities including Trading Standards. Recent Code of Practice changes require authorisation on a case by case basis from our local Magistrates. Their need to balance effective evidence gathering against the ever present risk of 'collateral intrusion' (i.e unintentionally capturing non relevant third party personal data on film) means that Magistrates are now less likely to give approval in circumstances when we have insufficient intelligence to satisfy the updated guidelines.]**
- **Should we discover persistent sales of tobacco to under 18's (2 or more occasions within a two year period) we will consider using powers contained in Section 143 of the Criminal Justice and Immigration Act 2008 to make a complaint to a Magistrate for an order either to prohibit tobacco sales from the premises or prohibit a specific person from selling tobacco products. This order is for a period of up to 12 months.**

DECISION

The Committee agreed to all of the above recommendations.

The Chairman thanked Amanda Poole and David Pickering for their report.

12 ANNUAL REPORT OF THE CHIEF SURVEILLANCE COMMISSIONER 2014/15

Lynda Forsythe attended and presented this report and updated the Committee on the following points:

- Sarah Ashmead is the Senior Responsible Officer (SRO) for RIPA and had appointed Phil Dart and Linda Forsythe as the Designated Persons for the Council.
- The Committee were asked to agree to receive quarterly reports of authorisations and an annual review of all RIPA activity and the Council's Covert Surveillance Policy and Procedure as per the below recommendation.

RECOMMENDATION

The Committee is asked to note the arrangements for authorising surveillance activity under the Regulation of Investigatory Powers Act 2000 (RIPA), and to agree to receive quarterly reports of authorisations and an annual review of all RIPA activity and the Council's Covert Surveillance Policy and Procedure.

DECISION

The Committee agreed to all of the above recommendations.

The Chairman thanked Lynda Forsythe for her report.

13 ALTERNATIVE DELIVERY VEHICLES- GOVERNANCE ARRANGEMENTS

Ian Dyson gave a presentation to the Committee which could be seen in detail attached to these minutes. The Committee were updated on the following points:

- 6 Alternative Delivery Vehicles (ADV's) were currently in place. These were Adventure Learning Foundation, Buckinghamshire Advantage, Buckinghamshire Care, Bucks Law Plus, Bucks Learning Trust and Bucks Museum Trust.
- One Council Board (OCB) had been reviewing the governance arrangements which the Council has had in place to oversee its interest in these bodies including requirements in the Operating Framework; Board representation; Performance reporting and Assurance.
- The target was to have a process in place which would provide a consistent approach across ADV's.
- OCB had approved the Commissioning Framework which was due for Cabinet Approval in January 2016. It was recommended that the Committee would have a key role in overseeing that appropriate risk and governance arrangements were in place for all Delivery Units.
- Further information was summarised on new and existing ADV's which could be seen in the presentation attached.

Member Comments

- A Member commented that there should be a business plan for each ADV to show what their revenue stream looks like and this should be presented to the Committee for review. The Member added that from a risk point of view it needs to be seen that the Council were receiving 'value for money'. Richard Schmidt explained that cash generation is not the sole issue as in the short term new income was not expected to be substantial and grants to ADV's were seen as being of less cost to the Council than previous arrangements had been.

- A Member suggested a formal arrangement would be of benefit to the Committee and reviews would be required to avoid past mistakes being repeated. The Member added that Select Committees could look at how the services were delivering.

Ian Dyson suggested that the Risk Management Group review the situation and report back to the Committee with proposals. It was said that there was the potential for a high number of ADV's going forward so if this arrangement were to be unmanageable it would be reassessed.

Members were advised that Member Briefings were being arranged for Members to gain an understanding of the new Commissioning Framework which would be a major part of the business moving forward.

14 RISK MANAGEMENT GROUP UPDATE

Maggie Gibb presented this report and updated the Committee on the following points:

- The Risk Management Group (RMG) met on 2 November 2015 and Members would receive the minutes of the meeting shortly.
- The RMG discussed risk management arrangements in place for the BLT agreement and were presented with the Improvement Plan. It was agreed that the risk register needed a complete review and a number of potential risks were discussed for inclusion.
- The One Council Board Strategic Risk Register was presented and discussed in detail.
- The Terms of Reference and the Forward Plan for the RMG were discussed and suggested amendments had been agreed.

RECOMMENDATION

That Members note the report

RESOLVED

The Committee noted the report.

Members Question

- A Member had a query on the AMEY contract which was due to end at the end of March 2016 and questioned the level of risk that come April 2016 there would be no more home to school transport.
- It was advised that AMEY manage route management, home transport and SEN transport on behalf of the Council although the council hold contracts with the respective bus operating companies. Ian Dyson advised that there was a project in place for managing this operation.
- Two Members made clear that this was seen as high risk and should be included on the risk register. Ian Dyson suggested that the RMG review this and look at the project improvement plan and risk matrix and report back to the Committee in February when

any concerns can be brought to the Committee's attention. Members agreed to this suggestion.

15 REVISED TERMS OF REFERENCE OF RMG FOR SIGN OFF

Maggie Gibb presented the update on the revised Terms of Reference of the RMG which could be seen at page 147 of the agenda pack.

Member Comments

- The Chairman commented on the three members of the Regulatory and Audit Committee who were Members of the RMG and advised that Member, Peter Hardy would be happy to join the working group to bolster Member numbers.
- Ian Dyson advised that any Member of the Committee would be welcome to attend the Risk Management Group so the number of Members could remain the same on the Terms of Reference with the option being there for others to attend. The next Risk Management Group would be held 17 December 2015 at 2 p.m.

RECOMMENDATION

Approval of the Revised Terms of Reference.

DECISION

The Committee approved the Revised Terms of Reference of the RMG for sign off.

16 FORWARD PLAN

Ian Dyson presented the Forward Plan and ran through the items for the 3 February meeting of the Committee which could be seen on page 151 of the agenda pack. A Member commented that an update on the OFSTED improvement plan may be of benefit for the Committee to hear at the next meeting. A definitive decision was not made although it was recognised as a major activity and it was suggested the issue be considered at the Risk Management Group and be included on their work programme.

The Forward Plan was agreed by the Committee.

17 DATE AND TIME OF NEXT MEETING

The time and date of the next Committee was agreed and will be held 3 February 2016 at 9 a.m. in Mezzanine Room 3.

CHAIRMAN

Alternative Delivery Vehicles

Regulatory and Audit Committee
18 November 2015

Ian Dyson



HOW DOES THE COMMITTEE GET ASSURANCE OVER THE ADV'S

- **Currently 6 ADV's in operation**
 - Adventure Learning Foundation
 - Buckinghamshire Advantage
 - Buckinghamshire Care
 - Bucks Law Plus
 - Bucks Learning Trust
 - Bucks Museum Trust
- Each ADV was developed separately, resulting in different models and different approaches to governance issues
- BLT reports to Committee has highlighted governance issues

Current Action

- OCB is reviewing the governance arrangements which the Council has in place to oversee its interest in these bodies
 - Includes appendix on requirements in the Operating Framework
 - Board representation
 - Performance reporting
 - Assurance

This session is to feed in to that review, to understand the requirements of the Regulatory and Audit Committee in the assurance reporting for ADV's

COMMISSIONING FRAMEWORK

- OCB recently approved the Commissioning Framework
- Contains specific guidance to Commissioners on establishing ADV's and expectations on considerations at each stage of the Commissioning Cycle:
 - Analyse
 - Plan
 - Do
 - Review
- Commissioning Framework states:

“Regulatory and Audit Committee Members will have a key role in overseeing that appropriate risk and governance arrangements are in place for all Delivery Units”
- Due for Cabinet Approval December/January

New ADVs

Establishing the ADV

First line of Assurance:

- Frameworks and Guidance in place
- Project management process, with clear decision making and accountability

Second Line of Assurance

- OCB
- BU Management Boards
- Risk Management Group ? (detailed review of risk matrix)
- Does the Committee want a report on the proposed ADV and how it will operate?

Buckinghamshire County Council

New ADV's

Post Implementation

First Line of Assurance

- Contract Management
- BU Performance monitoring

Second Line

- Internal Governance Boards
- OCB
- Risk and Performance reporting
- Financial Reporting

So reliance on the key control processes in the organisations which are already included in the Assurance Framework, and subject to Internal Audit review.

Existing ADVs

- Committee already considered BLT
- In addition to BLT, ALF, Bucks Care and Bucks Museum Trust are subject to contract management and are included on the Contract Management Application.
- Suggestion – Risk Management Group review the existing risk management for the five ADV's not yet considered by the Committee, including latest performance risks, and management reporting.

