

Agenda

REGULATORY AND AUDIT COMMITTEE

Date: Wednesday 12 September 2018
Time: 9.00 am
Venue: Mezzanine Room 1 - County Hall, Aylesbury

WEBCASTING NOTICE

Please note: this meeting may be filmed for broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with the Council's published policy.

Therefore by entering the meeting room, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

If you have any queries regarding this, please contact Democratic Services on 01296 382343.

Agenda Item	Time	Page No
1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP	09:00	
2 DECLARATIONS OF INTEREST To disclose any Personal or Disclosable Pecuniary Interests		
3 MINUTES of the meeting held on 25 July 2018 to be confirmed as a correct record and signed by the Chairman.		3 - 12
4 COMPLIMENTS AND COMPLAINTS ANNUAL REPORT	09:05	13 - 54
5 RISK MANAGEMENT GROUP UPDATE	09:25	55 - 58

6	2018/19 BUSINESS ASSURANCE UPDATE	09:45	59 - 76
7	STANDING ORDERS EXEMPTIONS AND BREACHES	10:05	77 - 84
8	FORWARD PLAN	10:25	85 - 86
9	EXCLUSION OF THE PRESS AND PUBLIC To resolve to exclude the press and public as the following item is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)		
10	STANDING ORDERS EXEMPTIONS AND BREACHES To consider the confidential appendix.	10:30	87 - 96
11	CORPORATE DEBT MANAGEMENT	10:50	97 - 114
12	FRAUD UPDATE (VIA STATUTORY OFFICERS GROUP)	11:15	115 - 126
13	DATE AND TIME OF NEXT MEETING 21 November 2018.	11:30	

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

For further information please contact: Ghazala Naeem on 01296 383246, email: gnaeem@buckscc.gov.uk

Members

Mr R Bagge	Mr M Farrow
Mrs P Birchley	Mr D Martin (C)
Mr T Butcher (VC)	Mr P Martin
Mr D Dhillon	Mr D Watson

Minutes

REGULATORY AND AUDIT COMMITTEE

MINUTES OF THE MEETING OF THE REGULATORY AND AUDIT COMMITTEE HELD ON WEDNESDAY 25 JULY 2018 IN MEZZANINE ROOM 1 - COUNTY HALL, AYLESBURY, COMMENCING AT 9.00 AM AND CONCLUDING AT 11.10 AM.

MEMBERS PRESENT

Mr R Bagge
Mrs P Birchley
Mr T Butcher (Vice-Chairman)
Mr D Dhillon
Mr M Farrow
Mr D Martin (Chairman)
Mr D Watson

OTHERS IN ATTENDANCE

Mr R Ambrose, Director of Finance & Procurement
Miss L Dale, Committee Assistant, Buckinghamshire County Council
Ms J Edwards, Pensions and Investments Manager
Ms M Gibb, Head of Business Assurance
Mr P Grady, Engagement Lead, Grant Thornton Auditors
Ms S Harlock, Audit Manager
Mr J Hollis, Head of Legal and Compliance,
Ms R Martinig, Financial Accountant
Mr P McGovern, Senior Finance Officer
Mr T Slaughter, Executive, Grant Thornton Auditors
Mr L Whitehead, Finance Accountancy Lead

1 CLOSED SESSION WITH EXTERNAL AUDITORS

RESOLVED

Members attended closed session with External Auditors. See agenda item 12.

2 CLOSED SESSION WITH INTERNAL AUDITOR

RESOLVED

Members attended closed session with Internal Auditors. See agenda item 12.



3 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies had been received from Mr P Martin.

The Chairman welcomed Mr J Hollis, Head of Legal and Compliance, who had recently been appointed to replace Mrs L Forsythe who had recently retired.

The Chairman thanked Mrs Forsythe on behalf of the Regulatory and Audit Committee for all the hard work that she had contributed over the years.

4 DECLARATIONS OF INTEREST

There were none.

5 MINUTES

The Chairman reviewed the minutes of the meeting held on 31 May 2018:

- The action on page 7 for Mr R Ambrose, Director for Finance and Procurement, would be brought to a future Risk Management Group meeting.
- The action on page 8 for Mr L Whitehead, Finance Accountancy Lead, was covered in item 6 (Statement of Accounts) under the energy from waste section.
- The second action on page 8 for Mr Ambrose in relation to a misunderstanding around Level 3 Assets had been covered as the County Council currently did not have any.
- There was an action for Mr Ambrose to circulate any significant changes to the Statement of Accounts to the Chairman. There were none.
- The final action for Ms Edwards was in response to a Member's question about the increase in operational costs. The main reason for the increase is staffing costs. In summary, this was the full year effect of additional posts created, cover for staff on maternity leave and temporary staff to produce annual benefit statements in accordance with statutory deadlines. This cost was covered by the pension fund itself. **Ms Edwards agreed to circulate the full details of this.**

ACTION: Ms Edwards

RESOLVED

The minutes of the meeting were agreed as an accurate record and signed by the Chairman

6 STATEMENT OF ACCOUNTS

Mr R Ambrose presented a report on the audited Statement of Accounts. Before giving an overview of the report, Mr Ambrose apologised to Members for the late amendments.

- The following points were noted during discussion and in answer to Members questions:
- Since 31 May, Grant Thornton had completed their audit of Buckinghamshire County Council's accounts. As a result of the audit, there had been three main adjustments and

six recommendations which Members would be asked to consider and make a decision on whether the Committee could agree to endorse the Statement of Accounts.

- A discussion took place where Members raised concerns about accessing reports. **Mr Ambrose agreed to ensure that, in future, the correct version of the report was clearly marked with version control.**

ACTION: Mr R Ambrose

- It was requested that reports containing significant financial detail are printed for Members for ease of reference during meetings. **The Chairman agreed to consider requests for printed reports when appropriate in future.**

ACTION: Chairman

- The first adjustment to the Statement of Accounts was a technical accounting adjustment which would have no impact on investment assets. Further detail on the change was included on page 67 (note 19) of the accounts.
- The second adjustment was in relation to Council Tax, short term trade and other receivables. This was detailed on page 77 and 78 (note 24). The line that had changed was the collection fund adjustment line and this was a presentational correction.
- The third adjustment arose from the meeting held on 31 May 2018, at which it was requested that officers look into the high balance of grants over £1m. These grants, including Adult Social Care and Better Care grants, had been moved to page 44 (note 7) and were now correctly reallocated. A Member suggested that it would be more helpful to differentiate the grants capital from the revenue and tie this information to the figures on page 13 relating to revenue financing.
- While auditors were satisfied that the presentation of the accounts was compliant with regulations, Members were welcome to request a change. **In respect of the table on page 13, Mr Ambrose agreed to review the presentation to see where improvements could be made for future years.**

ACTION: Mr Ambrose

- **The Vice-Chairman identified that a correction to a typographical error was required on page 67; the revaluation gains and losses was £9,122 but the amended number on page 84 was £9,110.**

ACTION: Ms R Martinig

- The table on page 15 showed a figure of £30,819,000 outturn for Corporate Costs. An in depth discussion took place on what level of detail would be appropriate in the County Council's final accounts. **Mr Ambrose confirmed that there had been an error relating to the figure for earmarked reserves in that there had been an increase of £15m as opposed the decrease that was shown. Mr Ambrose agreed to make the necessary amendments.**

ACTION: Mr Ambrose

- A correction was required on page 20 under the heading Unitary Authority. The date should be changed from May 2017 to May 2018.
- A discussion took place with regards to the information on page 26, Events after the Balance Sheet. Mr Ambrose clarified that the Early Redemption figure was the result of a strategy to repay certain LOBO loans and borrow using PWLB loans where it would be more cost-beneficial to do so. Further explanation was provided on the £28.7m early redemption premium; the old LOBO loans were 4.4% interest and the new PWLB loans were 2.5% which would cover the premium costs, over the 50 year lifetime of the new loan.
- The Council had appointed an Independent Treasury Management Advisor (Arlingclose) whose role it was to review and inform these decisions. Arlingclose have approximately 170 Local Authority clients. The Council's officers meet with Arlingclose regularly for advice along with the Cabinet Member for Resources to discuss strategies and plans.
- Members highlighted that there had been an increase in Investment Property value (page 32 of the Statement of Accounts supplement) from £83.8m in 2017 to £130.8m in 2018. It was explained that the majority of this increase came from the revaluation of land and property owned by Buckinghamshire County Council.
- Two properties that were purchased with PWLB loans raised concerns about the commercial risk in the property sector. Members were assured that the Council was aware of the risks and that, to mitigate these risks, the Council had a diverse portfolio which included industrial and office units. Decisions to acquire investment properties required approval from the Cabinet Member for Resources.
- **The title of this section was 'Comprehensive Income and Expenditure Statement' and this should be changed to 'Comprehensive Balance Sheet'.**

ACTION: Mr Ambrose

- **The concerns about the risks involved in investing in retail properties would be discussed at a future Risk Management Group meeting.**

ACTION: Ms Gibb

- An in depth discussion took place regarding the timeliness and quality of the accounts and audit reports. Members discussed the controls that Grant Thornton had put in place to identify errors, the process for quality checking and testing. Members received reassurance that the audit of the Statement of Accounts was completed with adequate controls and in alignment with CIPFA accounting principles and policies.
- Page 113 set out the Significant Audit Risks and findings. These were inherent risks that were not specific to Buckinghamshire County Council.
- Mr Grady confirmed that Grant Thornton was comfortable with the assessments and judgements used by management; and accounting policies had been green rated as appropriate.

- Mr Grady gave an overview of the addendum report which had been tabled at the meeting and highlighted the following:
- Page 4 of the addendum report showed that £5M of investment properties had not been valued during the period but this would not have an impact on the audit findings as this was an estimate on judgement rather than statement of fact.
- Points 2 and 3, pertaining to liabilities still showing at year end, explained that the errors were extrapolated and would not mislead the reader of the accounts.
- While the external auditors could not provide a percentage against the number of errors, it was explained that a predictive algorithm was used to identify that the four items that were in error were as a result of balances that had rolled over. These were all small in value.
- **Mr Ambrose confirmed that a clean-up of roll over balances would be completed.**

ACTION: Mr Ambrose

- A Member raised concerns regarding the length of time that the Council had experienced issues with privileged SAP access.

RESOLVED

The Committee NOTED the report

7 PENSION ACCOUNTS

Ms J Edwards, Pensions and Investments Manager, presented the Pensions Accounts and gave a verbal overview.

- The following points were noted during discussion and in answer to Members' questions: the amendments, which were highlighted in blue, were made as a result of a recent change in accounting policies.
- There had been a change to the way that certain elements of the accounts were presented; in particular, it was now a requirement that all bonds were disclosed as a single line. Further analysis was provided in note 11.
- On page 7, there is a line missing from the second paragraph which starts '. children'. This line had subsequently been added. On page 20 the restated date of accounts had been changed from 31 March 2016 to 1 April 2016.
- For the table on page 21- 22 which reconciled the fair value values, the analysis has now been added.
- Income earned from investments overseas in certain other countries is subject to withholding tax unless an exemption is available. Page 23, Value of Financial Instruments, showed that there were £165m of Level 3 items with unobservable outputs. As part of the audit it was agreed that this was a reasonable figure. The Chairman explained that the total amount of Level 3 investments held constituted less than 5% of the total value of the fund.
- The report sets out the findings which had no effect on the bottom line or value, therefore the draft was a fair and accurate position.

- Testing was in line with the approach taken last year and nationally. There were elements that were different including the risks around Level 3 investments and how Level 3 investments were audited.
- Members discussed the transfer of data to the new custodian.
- Level 3 investments were private equity which accounted for less than 5% of the fund; the other 95% was stocks and bonds, the values of which were readily identifiable.
- The ongoing transition would be monitored and the new investment company, Brunel, would be audited. The diversity in the portfolio offsets movement in exchange rates and generally would not affect the bottom line.
- Members highlighted concerns about spread of risk within the scheme. Controls to mitigate this risk were in place. Mr Slaughter attended the Pension Fund Committee meetings and noted that Members of the Committee were providing oversight. The external auditors were satisfied that the controls met all required investment and governance criteria; and there were no concerns on their part that the Council was not managing the fund effectively.

The Chairman thanked Ms Edwards and the representatives from Grant Thornton for their reports. He also thanked them for their 100% attendance at Pension Fund Committee meetings.

8 VALUE FOR MONEY STATEMENT

Mr P Grady and Mr T Slaughter, External Auditors, Grant Thornton presented their report (including an addendum report).

The following points were noted during discussion and in answer to Members questions:

- The report was an assessment of the arrangements the Council had in place rather than an assessment of value for money to identify how well the Council managed budgeting and performance of services.
- Auditors had assessed the performance of Children's Services following the Ofsted outcome. In particular they had looked at transformation plans and how these would fit with the Council's plans. The conclusion was consistent with previous years. Auditors confirmed they were comfortable that the necessary arrangements were in place.
- Buckinghamshire County Council was average in comparison to other Local Authorities in their level of reserves and ability to respond to a crisis.
- The Communities Health and Adult Social Care (CHASC) Better Lives transformation programme was inherently risky, as with any transformation programme. It was highlighted that there were appropriate governance arrangements in place; and evidence of effective wider working
- Wider working with STP. Work with NHS. Evidence of enthusiasm and willingness to work with partners. There were no significant concerns with decisions or reasoning in relation to the arrangements for the Bucks Learning Trust.
- The Chairman noted that he had in previous years made representations that in view of improved performance in the Children's Service, the qualified VFM statement may not have been appropriate. However whilst there had been evidence of improvement,

Children's Services remained in special measures despite significant additional spending. Therefore this year the Chairman accepted the VFM qualification and would make no representations to change it.

- The Members welcomed the External Auditors comments in relation to CHASC's work with external Health Services.
- An in depth discussion took place about the different controls for each business unit; Children's Services was measured by Ofsted but the other Business Units had less external scrutiny. Members were reassured that the Risk Management Group considered these issues and therefore there was an element of independent judgement.
- It was suggested that the new version of the BCC accounts is dated 26 July 2018.

The Chairman thanked the External Auditors for their reports and for their collaborative and effective professional relationship with the County Council.

RESOLVED

Members AGREED to endorse the Statement of Accounts, Pensions Accounts and letters of representation subject to the amendments discussed; and that the Chairman and Section 151 Officer sign these off accordingly.

9 ANNUAL GOVERNANCE STATEMENT

Mr R Ambrose, Director of Finance and Procurement, presented his report and the Annual Governance Statement.

The following points were noted during discussion and in answer to Members' questions:

- The Annual Governance Statement was published each year alongside the accounts taking into consideration assurances over the control framework.
- Paragraph 5 set out the key weaknesses, in particular relating to Commissioning/Contract Management, Technology Services and Children's Services. It was confirmed that robust action plans are in place to address the identified weaknesses.
- The Statement would need to be signed by the Chief Executive and Leader.
- Members were asked to consider the evidence and that is appropriate before presenting to the CEO and Leader to sign today (25 July).
- Updates on progress of implementing the actions would be provided to the Corporate Management Team, Regulatory and Audit Committee and the Risk Management Group.

RESOLVED

The Committee AGREED to recommend the Annual Governance Statement to the Chief Executive and the Leader

10 HEAD OF AUDIT ANNUAL OPINION

Ms M Gibb, Head Business Assurance (& CIA), presented her report to the Committee.

The following points were noted during discussion and in answer to Members' questions:

- Regulations require that the Council maintain an effective Internal Audit service and the Public Sector Internal Audit Standards require Ms Gibb to provide an annual opinion on the effectiveness of the control environment. This opinion is limited to the work carried out during the year.
- A self-assessment had been completed in line with the Public Sector Internal Audit Standards. Out of the 118 standards, the Council was in compliance with 111, partially compliant with 6 and there was an area of non-compliance in that Ms Gibb had responsibility for the Risk Management Function and therefore it was not wholly independent. Ms Gibb explained that where a conflict of interest may exist the audit would be carried out by an internal audit partner to ensure there was an appropriate level of independence.
- An independent assessment of compliance has been arranged with another Local Authority for Quarter 4 this year. **Ms Gibb would bring the findings back to this committee.**

ACTION: Ms Gibb

- Page 85 listed areas that fed in to the overall opinion based on the results of Internal Audit work.
- Page 86 summarised the **Unqualified Opinion**.
- Page 87 showed a small table containing summary comparison of the 2017/18 report ratings with those of 2016/17. There had been a reduction in the number of limited assurance reports. All the limited assurance reports related to the sample of selected schools for 2017/18. These schools had financial management and governance issues. These findings and lessons learnt were presented to Schools Forum and published on the Schools web.
- Page 89 showed a summary of the Professional Lead Assessments. There had been improvements of some of the limited assurance ratings. Appendix 1 showed the summary of audit actions of which there were 35 of high priority. All management actions have either been completed or are in progress.
- One particular risk highlighted was interim staff signing off expenses. This would be mitigated by managers ensuring that Bucks policies were applied. The Internal Audit service would ensure that this was embedded. An update would be included in the counter fraud report and brought to the Committee in September.

ACTION: Ms Gibb

11 2018/19 DRAFT BUSINESS ASSURANCE STRATEGY

Ms M Gibb, Head Business Assurance (& CIA), presented her report to the Committee and gave a verbal overview.

The following points were noted during discussion and in answer to Members' questions:

- The paper detailed the audit and risk management plans for 2018/19.
- Quarter 1 work was ongoing.
- The report was presented to Corporate Management Team in March 2018.
- Following meetings with the Senior Leadership Team, the Internal Audit Service took their wish lists of audit activity and compared these to the information on the risk registers.
- Concerns were raised in relation to the Improvement Programme in Children's Services. Internal Audit would have a pro-active role going forward and will work with the service to provide assurance over the quality of record keeping.
- Engagement from Children's Services with the Council's audit and risk function had improved and Children's Services would attend the Risk Management Group Meeting on 2 August.
- Children's Services improvement program would require input from the Risk Management Group. Auditors had identified all the significant risks and there was awareness within the service of what these were.
- The Chairman asked that Members ensure whenever possible attendance at future Risk Management Group meetings.
- Actions to address items in Grant Thornton's audit report would be covered in the key financial systems audit and the scope would include these to ensure that these had been actioned and documented.
- Page 109 showed savings/efficiency targets for quarter 4. Auditors would look at the processes from this year and review whether the improvement targets had been met.

The Chairman thanked Ms Gibb for her report.

RESOLVED

Members NOTED the report.

12 FORWARD PLAN

Ms Gibb provided an overview of the forward plan.

It was agreed that Members would continue the private meeting with the External Auditors; and meet with the Chief Internal Auditor, at a later date.

ACTION: Committee Support

13 DATE AND TIME OF NEXT MEETING

12 September 2018, 9.00am, Mezz 1

CHAIRMAN

Regulatory and Audit Committee

Title: Compliments and Complaints Annual Report

Date: Wednesday 12 September 2018

Author: Sophie Payne

Contact officer: Kate Mitchelmore 01296 531023

Local members affected: All

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

This is a combined annual report for compliments and complaints for the period 1 April 2017 to 31 March 2018. It brings together complaints received under the following procedures:

- The Corporate Feedback and Complaints procedure
- The Adult Social Care Statutory Complaints Procedure - *Making Experiences Count*
- Children Social Care Statutory Complaints Procedure - *Hearing the Customer's View*

Recommendation

Members should note and comment on the report

Supporting information to include the following if a decision is being requested:

The report and associated papers are attached as one document for consideration.

COMPLIMENTS & COMPLAINTS ANNUAL REPORT 2017/18

Buckinghamshire County Council

Contents

Overview	2
Statutory Framework.....	2
What is a complaint?.....	2
Purpose of Complaints Procedure	2
Complaints procedures	3
Corporate Complaints Procedure.....	3
Adults Statutory Social Care Complaints Listening, Responding, Improving	3
Children’s Statutory Social Complaints Procedure – Hearing the Customer’s View	4
Use of advocates for Children Act complaints.....	5
Executive Summary of Compliments and Complaints 2017/18.....	5
Compliments.....	5
Complaints	6
Stage 2 Corporate Complaints – Escalations.....	8
Benchmarking.....	10
Local Government & Social Care Ombudsman	11
Annual Review of the Feedback and Complaints Procedure	13

Appendices

- Appendix 1 - Annual Review Letter from the Local Government Ombudsman
- Appendix 2 – Business Unit Annual Summaries
- Appendix 3 – Organisational Learning
- Appendix 4 – The Vexatious & Persistent Complainants Policy

Overview

Buckinghamshire County Council welcomes feedback: compliments, comments and complaints from customers. Feedback will be recorded and acted upon in accordance with our complaints procedures. This will in turn ensure that the Council can demonstrate that it listens to the experiences of its customers, positive or negative, to bring about improvements in services.

This report covers all complaints received and recorded for the period 1 April 2017 to 31 March 2018.

Statutory Framework

The Council has a statutory duty to investigate Adult and Children's Social Care complaints under The Children Act 1989 Representations Procedure (England) Regulations 2006 and Local Authority Social Services and National Health Service Complaints (England) Regulations 2009.

There is also a requirement on us by the Local Government and Social Care Ombudsman to operate a corporate complaints procedure to cover other areas of council services such as school admissions, special educational needs, libraries and highways.

What is a complaint?

Any expression of dissatisfaction about a council service (whether that service is provided directly by the council or by a contractor or partner) that requires a response.¹

There is a close link between service requests and complaints. As a Council we record first time contacts as service requests, rather than complaints, and services are encouraged to adopt local resolution to work with the customer to resolve the issue. Where this hasn't happened, then invariably the customer will come back to us to make a complaint.

The Compliments & Complaints Team receives a lot of correspondence from customers who are generally unhappy but are not necessarily making a complaint. These could be someone chasing the progress of a claim, reporting a defect on the roads or simply trying to complain about a service we are not responsible for, like a bin collection. During 2017/18, the Compliments & Complaints Team received nearly 1,100 other 'general enquiries'. These were not classified as complaints and were redirected to the most appropriate place to deal with the issue.

Purpose of Complaints Procedure

The purpose of any complaints procedures is to ensure that:

¹ From the Local Government & Social Care Ombudsman's *Guidance on running a complaints system*

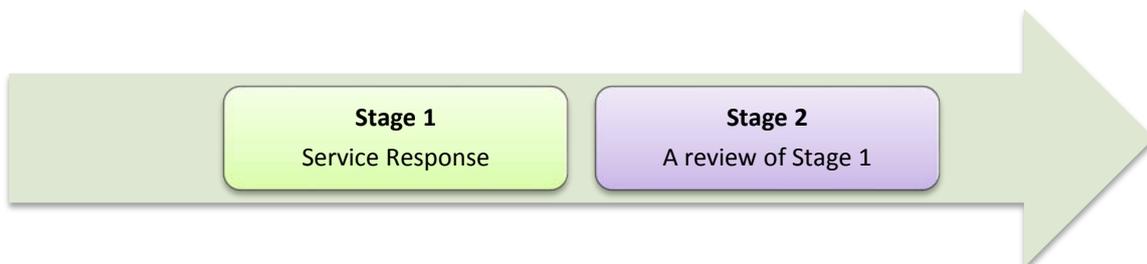
- The views and experiences of people who use services are heard to ensure the organisation remains focused on the customer.
- The organisation learns from complaints and seeks improvements to service provision and working practices.
- There is a simple and effective way of raising a complaint.
- Complaints are dealt with fairly and consistently.
- The complainant receives a comprehensive response within the agreed timescales.
- It encourages an open and transparent environment that people trust and engage with.

Complaints procedures

The County Council has three processes. The process followed for an individual complaint is largely dependent on the subject of that complaint. As a general rule, complaints specifically regarding child and adult social care issues will be referred to the statutory procedures respectively, whereas other service issues, process/procedural issues and decision making issues will be more appropriate for the corporate procedure.

Corporate Complaints Procedure

A two stage process:

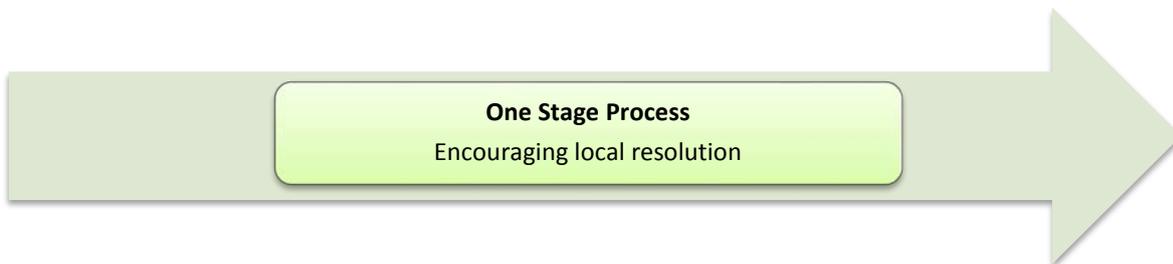


- **Stage 1** – the staff delivering the service aim to respond to the complaint within 28 calendar days. If it is going to take longer, the complainant is kept informed.
- **Stage 2** – A review of the Stage 1 response carried out on behalf of the Monitoring Officer, with an aim of completing within 28 calendar days. If it is going to take longer, the complainant is kept informed.

The Local Government and Social Care Ombudsman is the final route of redress for the complainant.

Adults Statutory Social Care Complaints - Listening, Responding, Improving

A one stage process:



- A one stage process that encourages local resolution to resolve issues. The pre-complaint stage is called the Concern Stage. The complaints process usually begins once the Concern Stage has been exhausted. Whilst the statutory timescale allows up to six months to issue a final response to the complaint, the Council has set a local standard of 28 calendar days during which time the majority of complaints are expected to be resolved.

The Local Government and Social Care Ombudsman is the final route of redress for the complainant.

Children’s Statutory Social Complaints Procedure – Hearing the Customer’s View

A three stage process:



- **Stage 1 Local Resolution** - the staff delivering the service are given the opportunity to address the complaint, providing a full response within 10 working days (this can be extended to 20 days in exceptional circumstances such as complex complaints).
- **Stage 2 Independent Investigation** - an Independent Officer (IO) and an Independent Person (IP) will investigate the complaint and the IO will prepare a report for the Service Director, who will send a formal response to the complainant based upon that independent report. The investigation should be completed within 25 working days of receipt of the signed complaints statement (this can be extended to a maximum of 65 working days in certain circumstances such as complex complaints).
- **Stage 3 Review Panel** - comprising an independent chair and two other independent people who consider the adequacy of the Stage 2 complaint

investigation. The Panel should meet within 30 working days of the request being made, its recommendations should be recorded within 5 working days of the meeting and the Executive Director must respond to complainants within 15 working days of the date when the Review Panel made their recommendations.

The Local Government and Social Care Ombudsman is the final route of redress for the complainant.

Use of advocates for Children Act complaints

In accordance with national guidance, Buckinghamshire County Council has made arrangements for the provision of advocacy services for children and young people who wish to make representations under the relevant sections of the Children Act 1989. During the reporting period, the County Council had a contract with the National Youth Advocacy Service (NYAS) for the provision of advocacy services for children in care.

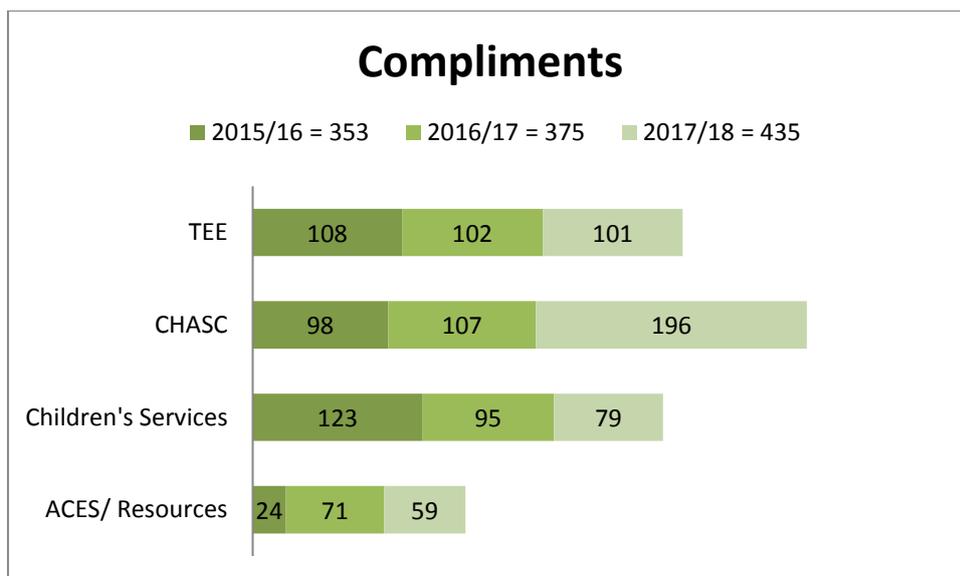
The advocacy service must ensure that independent advocates provide appropriate help to children and young people, taking into account their age, means of communication, language, sex, race, religion, sexual orientation, health or disability.

The advocates provided by NYAS are volunteers who have received the appropriate training in working with children and young people. They are from a variety of backgrounds and care is taken in achieving a good match between advocate and child to take into account the needs of the child.

Executive Summary of Compliments and Complaints 2017/18

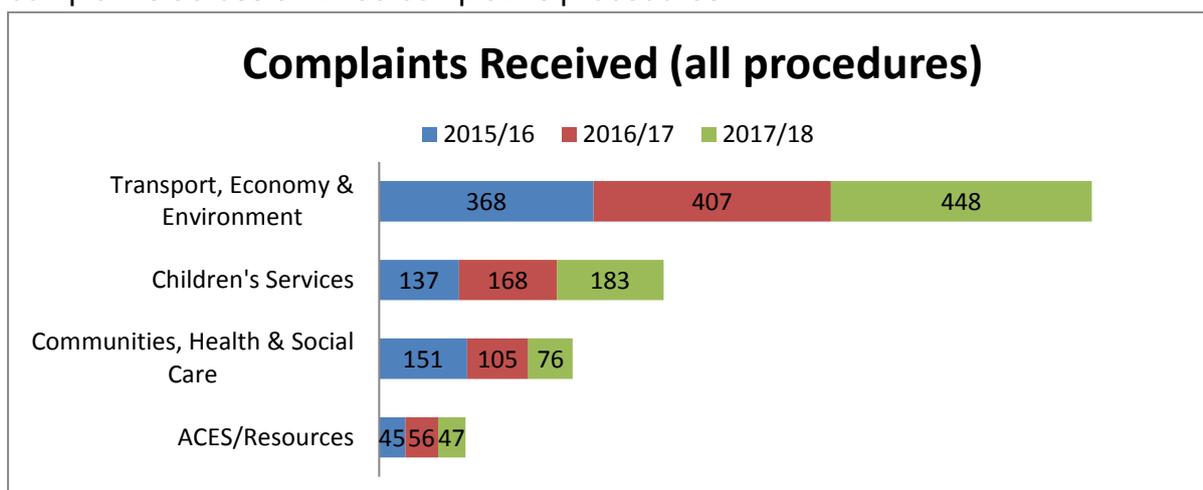
Compliments

The number of compliments recorded this year has increased slightly from last year, due to a significant increase in compliments about adult social care services.



Complaints

Between 1 April 2017 and 31 March 2018, the Council received a total of 760 complaints across all three complaints procedures.



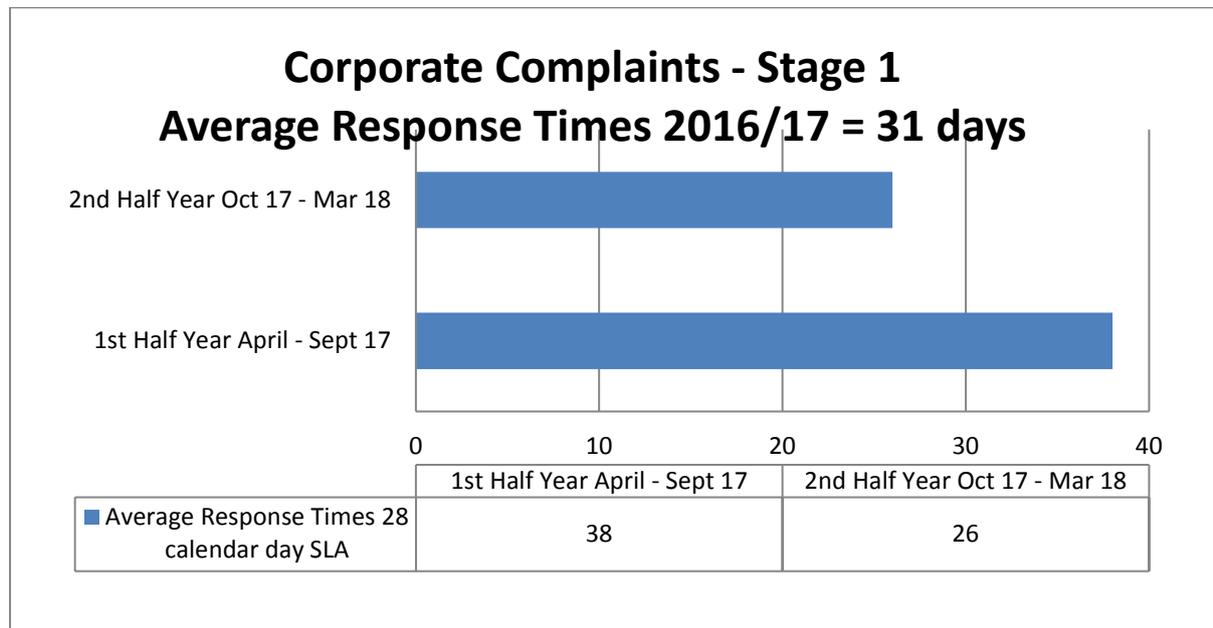
The following breakdown for the reporting year provides data for 2016/17 as a comparison (in brackets).

- 554 (612) complaints were received at Stage 1 of the corporate procedure and 69 (73) were received at Stage 2 of that procedure.
- Within the statutory children services procedure, there were 67 (46) dealt with at Stage 1, with 8 (11) being escalated to Stage 2.
- 55 (78) complaints were dealt with under the adult social care statutory complaints procedure. 7 complaints received were recorded as non-BCC.

Response times - Corporate Complaints

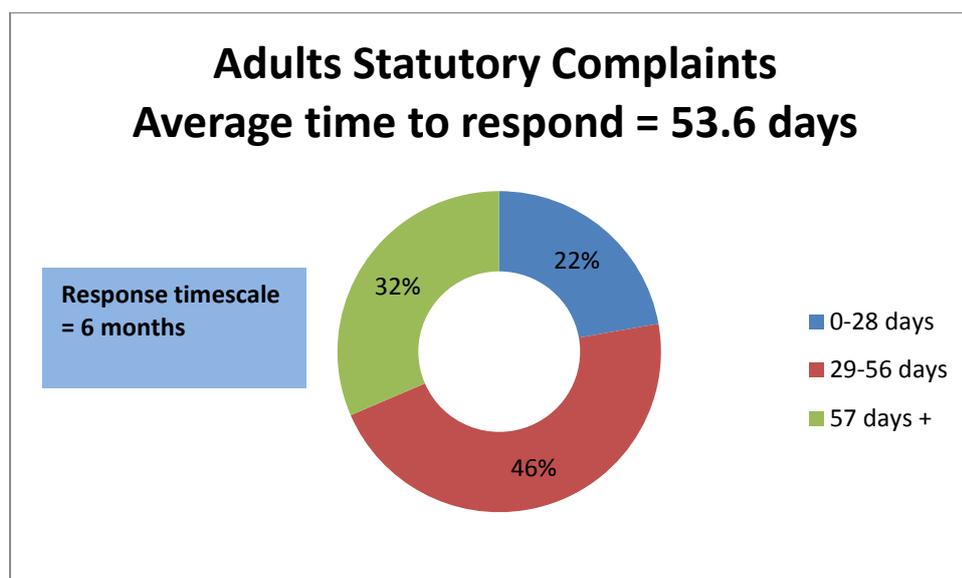
From 1 October 2017, the internal target for responding to Stage 1 corporate complaints was changed from 28 calendar days to 10 working days. Customers still

currently see an SLA of 28 days but we are now aiming for a response within 10 working days. The graph below shows a comparison of the average response times between the first and second halves of the year.

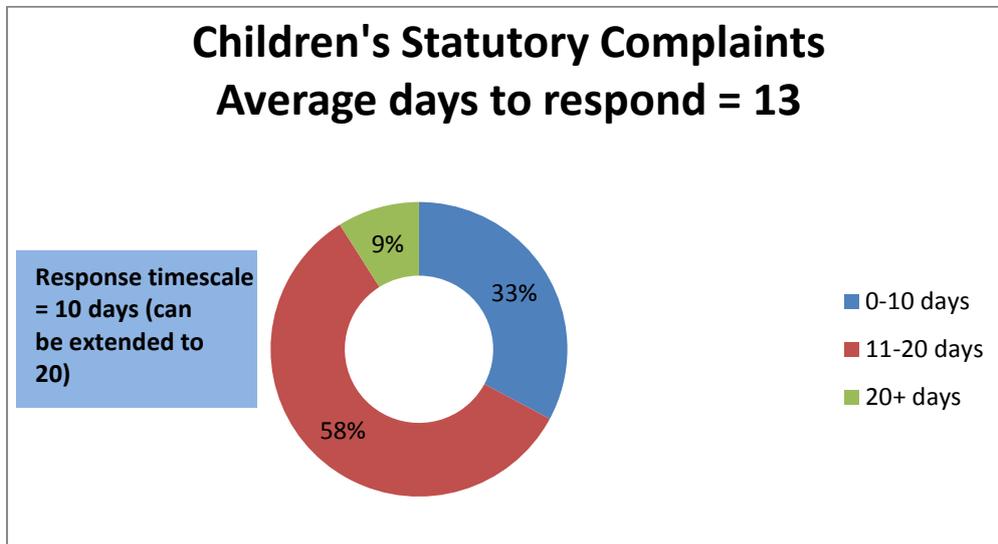


Response times - Statutory Complaints

As explained above, the two statutory complaints procedures are completely different, although they are based on the same basic principles. The adult process was changed in 2009 and (as explained at the beginning of this document) is centred on the idea of local resolution. The timeframe for resolution is six months to allow a reasonable amount of time to work together with the customer.



The children's statutory process has three stages and although local resolution is encouraged, each stage has its own timeframes. For these reasons, it is not appropriate to compare time taken between the adults and children's statutory processes.



Stage 2 Corporate Complaints – Escalations

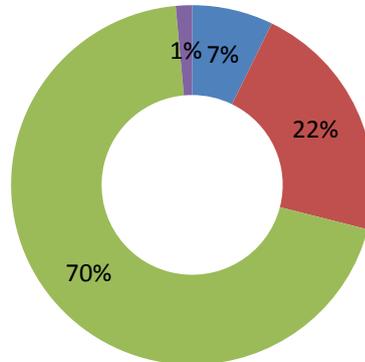
The following breakdown for the reporting year provides data for 2016/17 as a comparison (in brackets).

- 561 (612) Complaints were recorded at Stage 1
 - 12.2% (11.9%) of this number were escalated to Stage 2
- 69 (73) Complaints were recorded at Stage 2 (the final stage):
 - 8 (2) of these Stage 2 complaints went directly to the final stage as per the correct procedure for complaints relating to requests for information made under the Data Protection Act, Freedom of Information Act and Environmental Information Regulations - 11.6% (3%)
 - 4 (11) of these Stage 2 complaints were escalated directly to the final stage due to their seriousness or previous correspondence indicating this to be appropriate - 5.8% (15%)
 - 57 (60) of these Stage 2 complaints were escalated directly from Stage 1 - 82.6% (82%).

The graph below shows the 69 Stage 2 complaints by outcome in percentage terms

Corporate Stage 2 Complaints by Outcome

■ Upheld ■ Partially Upheld ■ Not Upheld ■ Out of jurisdiction



As outlined above, of the 69 Stage 2 (final stage) complaints, 57 were escalated from the previous stage of the process. Therefore, these complaints had a previous decision (normally 'Not Upheld') which was reviewed. The analysis of those decisions (see table below) shows that 74% (62%) of reviewed decisions remained 'Not Upheld', whereas 25% (35%) of reviewed decisions were upheld (either in whole or in part).

The following breakdown for the reporting year provides data for 2016/17 as a comparison

Reviewed complaint decision	2016/17	2017/18	% 2016/17	% 2017/18
Not Upheld	37	42	61.7	73.7
Partially Upheld	13	12	21.7	21
Upheld	8	2	13.3	3.5
Withdrawn	1	0	1.7	0
Outside Jurisdiction	1	1	1.7	1.8
Total	60	57	100%	100%

Benchmarking

Benchmarking information is not readily available because individual authorities determine how they report on complaints; however, the table below provides some comparative information to put the County Council's performance into some context. Please note that the data needs to be treated with some caution due to different definitions of complaints. This information is for the year 2017/18.

Authority	Corporate (Stage 1)	Adult Social Care (Statutory)	Children's Social Care (Statutory)	Corporate Response Targets	Total	Total rate per 10,000 population	-
Buckinghamshire Population: 534,720	554	55	67	Corporate 28 days (internal target 10 working days)	676	12.64	
Oxfordshire Population: 683,169	243	169	107	10 working days	519	7.59	
Surrey Population: 1,176,549	582	221	529 (includes education non- statutory complaints)	10 working days	1332	11.32	
Norfolk Population: 892,870	632	528 (this includes local resolution)	731 (this includes local resolution)	15 working days	1891	21.17	

Local Government & Social Care Ombudsman

Each local authority is sent an Annual Review Letter from the Local Government & Social Care Ombudsman (LG&SCO). A copy of the letter is included as an appendix to this report. A total of 65 complaints about the Council were determined by the LG&SCO for 2017/18:

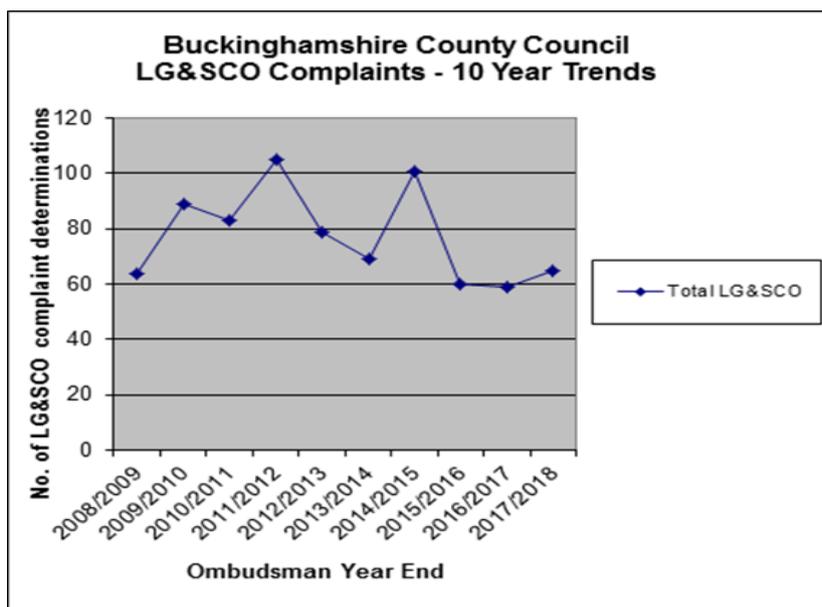
LGO Category	Number of LG&SCO Complaints 2016/17	Number of LG&SCO Complaints 2017/18
• Education & Children's Services	24	27
• Adult Care Services	12	16
• Environmental Services & Public Protection & Regulation	4	3
• Highways & Transport	15	18
• No category allocated	0	0
• Corporate and Other Services	2	1
• Planning & Development	2	0
• Total number of LG&SCO complaints	59	65

The following table shows the LG&SCO's classification decisions:

2017/18 Decision Classification	No. of Complaints 2017/18 (2016/17 in brackets)		Comments
Upheld	9	(8)	Fault found by LGO.(NB The fault may have already been previously satisfactorily remedied by the Council.)
Not Upheld	9	(4)	No fault found by LGO.

Advice given	0	(4)	No record of these complaints – we assume advice given to complainant by the LGO without reference to the Council.
Closed after initial enquiries	20	(16)	Initial information supplied by the complainant and/or the Council results in the LGO deciding not to investigate these complaints (for a variety of reasons, such as that the matter falls outside of the LGO's statutory jurisdiction, or there was insufficient maladministration and/or injustice found).
Incomplete/Invalid	6	(3)	No record of these complaints as not communicated to the Council – we can only assume that all these complaints were not progressed with LGO.
Referred back for local resolution	21	(24)	The Council is not aware of all of these cases, however we can assume that some were where the LGO told the complainant to contact the Council, but the complainant chose not to pursue the matter. In other cases, the LGO asked us to put the complaint through the relevant complaint procedure.
Total	65	(59)	

The number of LG&SCO complaints has remained at a similar level since 2015/16. The figure for 2017/18 (65) is a 10% increase on that for 2016/17 (59), however, it is too early to say whether this is an ongoing trend.



Benchmarking – LG&SCO

The table below provides some comparative information to put the County Council's performance into context. This has been taken from the LG&SCO website and the definitions for the outcomes are detailed in the table above. This information is for the year 2017/18.

Authority	Closed after initial enquiries	Not upheld	Upheld	% Upheld	Total LG&SCO Decisions
Buckinghamshire	20	9	9	50	65
Oxfordshire	12	5	7	58	40
Surrey	42	16	18	53	139
Norfolk	26	11	33	75	119
Warwickshire	12	15	11	42	71

Annual Review of the Feedback and Complaints Procedure

The Deputy Monitoring Officer, on behalf of the Monitoring Officer, has reviewed the Feedback and Complaints procedure and is satisfied that the two stage process (introduced in February 2016, when the procedure was reduced from three stages to two stages) is working more efficiently and effectively for both complainants and the Council. With only two stages, the timescale is shorter and therefore less onerous on both parties allowing a swifter passage to the regulator, if required.

The annual review letter from the Ombudsman acknowledges our positive and constructive approach in our dealings with them. He also mentions that our willingness to use complaints constructively and positively as a learning tool.

Learning from Complaints

In appendix 3 there are examples of our learning from complaints from across the Authority. It is clear from the information we have that the largest numbers of complaints are about the quality of the service we provide. This can be anything from a poor experience when dealing with our frontline staff to customer expectations of what we can do not being met. Although it could be argued that customers are just not happy when we won't agree to do something, for example fill in a pothole, effective communication also remains an issue where we may have made a decision about why we are not doing something but have not communicated this to the customer adequately. This can make the difference between whether we uphold the complaint or not. Learning from complaints is to be recorded in Respond which will allow us to report on this area in a way that we have never done before.

Vexatious and Persistent Complainants Policy

The policy for dealing with vexatious and persistent complainants was launched in October 2016. The policy is available on the Council's website. For 2017/18, there were two complainants added to the register of vexatious persistent complainants. At the three month review, one was extended and then ended in December 2017 and the other was removed but during the 2018/19 reporting year has been placed on the register again. In addition to this, we have written to four complainants explaining that if their vexatious persistent behaviour continues we will need to invoke the policy. Two of those are now on the register.

As part of a review of this policy we have looked at similar policies from other councils, Norfolk, Essex, Wealdon and Croydon. There are minor updates required (due to staff changes) but it is felt that the existing policy remains fit for purpose.

Improvement Plan for Corporate Complaints

An improvement plan was established for 2017/18 (as mentioned in last year's report) and the first phase of this plan started on 1 October 2017, with the following changes:

- Each Business Unit has a complaints lead who is responsible for the delivery of appropriate complaint handling across in their area.
- Reporting is provided to the Business Unit on a quarterly basis (and more often in some cases).
- An internal response target of 10 working days has been set for stage 1 complaints. A comparison between the first half of the year with the second shows that timescales have been reduced. It is clear, however, that there is more work to be done to reduce the timeframes in order to achieve the 10 working days consistently. Transport, Economy & Environment (TEE) has the highest volume of corporate complaints and so it makes sense for us to concentrate our efforts in this area. Further analysis shows that for TEE, the shortest response time for the second half of the year is just 3 days whereas

the longest for the same period is 98 days. More detail is provided at the end of this report on TEE complaints and Transport for Buckinghamshire complaints as a sub-section of this.

- Training has been given and more is planned to help improve formal responses. In addition, there is ongoing training to front line staff in order to help them manage potential complaints at a local resolution level.
- Our new IT system, Respond, went live on 1 July 2018 and we are currently developing reporting for all areas. The system is being used to record all complaints, comments and compliments. In addition, Freedom of Information requests, data breaches and subject access requests are also being recorded in Respond. The system is working well for us already but with further development will also allow us to streamline processes further. Integration with online forms will save time processing complaints helping us to move them onto services more quickly. Respond will allow us to create a suite of reporting that will help us improve the governance of complaint handling across the board.

We are already using the reporting in Respond to provide status reports for services but will be providing quarterly reporting for Business Unit leads to share at SLT meetings.

- Learning from complaints is an area we have been working on as an organisation. The improved accountability with the complaints leads in place has helped with this. For example, in TEE, the complaints lead has been pushing for a review of the claims process following increases in the number of complaints/enquiries coming to the Compliments & Complaints Team. In CHASC, we are recording learning from social care complaints and we have introduced a process that includes managers taking responsibility for their learning.

The impact of the improvement plan to date includes:

- Improved timescales for complaint responses
- More accountability in services – regular meetings have taken place with the areas where we receive most corporate complaints in order to improve the quality of responses and learning (this is to be developed further will all areas this year)
- With the improved accountability there has been an improvement in the quality of responses

The above three points are positive but there is still more work here to be done to improve on our complaint handling and we will continue this through the next year.

During 2018/19 we will be consolidating the work carried out so far as follows:

- Continue with the training as described above

- Reduce timescales even further – aiming for 10 working days as an SLA for customers
- Consider and implement approaches to reporting learning from complaints.

An audit carried out in 2017 noted the following actions:

1. Complaints procedures to be written/updated for corporate complaints, statutory children’s complaints and statutory adults complaints

We are currently in the process of rewriting the complaints procedures with a target completion date of Q3 2018/19.

2. Improve the timeliness of responses

As outlined above, the improvement plan is focused on this area

3. Ensure that holding letters are sent to complainants in a timely manner

The audit notes that for actions 2 and 3, the introduction of a new complaints management system will help reduce risks of delay through automating key elements of workflow; and will enable the Compliments & Complaints Team to work on reducing the timeframes and ensuring holding letters are issued in a timely manner. The new system went live from 1 July 2018; therefore these improvements will be picked up within the next report.

18 July 2018

By email

Rachael Shimmin
Chief Executive
Buckinghamshire County Council

Dear Rachael Shimmin,

Annual Review letter 2018

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman (LGSCO) about your authority for the year ended 31 March 2018. The enclosed tables present the number of complaints and enquiries received about your authority and the decisions we made during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

Complaint statistics

In providing these statistics, I would stress that the volume of complaints does not, in itself, indicate the quality of the council's performance. High volumes of complaints can be a sign of an open, learning organisation, as well as sometimes being an early warning of wider problems. Low complaint volumes can be a worrying sign that an organisation is not alive to user feedback, rather than always being an indicator that all is well. So, I would encourage you to use these figures as the start of a conversation, rather than an absolute measure of corporate health. One of the most significant statistics attached is the number of upheld complaints. This shows how frequently we find fault with the council when we investigate. Equally importantly, we also give a figure for the number of cases where we decided your authority had offered a satisfactory remedy during the local complaints process. Both figures provide important insights.

I want to emphasise the statistics in this letter reflect the data we hold, and may not necessarily align with the data your authority holds. For example, our numbers include enquiries from people we signpost back to the authority, some of whom may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website, alongside an annual review of local government complaints. The aim of this is to be transparent and provide information that aids the scrutiny of local services.

We would like to acknowledge the positive and constructive approach the Council has taken when we have conducted investigations and made recommendations when fault has been found.

We were particularly impressed with the response we received to recommendations made in a complaint about adult safeguarding. The investigation established there had been significant fault and injustice in the way a vulnerable adult had been safeguarded. But, throughout the investigation, the Council was open and co-operative. It readily accepted the fault and demonstrated it was willing and determined to use the case to improve practice and services for others moving forward.

We saw a similar approach and response in a complaint about child protection. The lack of defensiveness and willingness to use complaints constructively and positively as a learning mechanism is very refreshing. We would like to thank officers for this.

Future development of annual review letters

Last year, we highlighted our plans to move away from a simplistic focus on complaint volumes and instead turn focus onto the lessons that can be learned and the wider improvements we can achieve through our recommendations to improve services for the many. We have produced a new [corporate strategy](#) for 2018-21 which commits us to more comprehensively publish information about the outcomes of our investigations and the occasions our recommendations result in improvements to local services.

We will be providing this broader range of data for the first time in next year's letters, as well as creating an interactive map of local authority performance on our website. We believe this will lead to improved transparency of our work, as well as providing increased recognition to the improvements councils have agreed to make following our interventions. We will be seeking views from councils on the future format of our annual letters early next year.

Supporting local scrutiny

One of the purposes of our annual letters to councils is to help ensure learning from complaints informs scrutiny at the local level. Sharing the learning from our investigations and supporting the democratic scrutiny of public services continues to be one of our key priorities. We have created a dedicated section of our website which contains a host of information to help scrutiny committees and councillors to hold their authority to account – complaints data, decision statements, public interest reports, focus reports and scrutiny questions. This can be found at www.lgo.org.uk/scrutiny. I would be grateful if you could encourage your elected members and scrutiny committees to make use of these resources.

Learning from complaints to improve services

We share the issues we see in our investigations to help councils learn from the issues others have experienced and avoid making the same mistakes. We do this through the [reports](#) and other resources we publish. Over the last year, we have seen examples of councils adopting a positive attitude towards complaints and working constructively with us to remedy injustices and take on board the learning from our cases. In one great example, a county council has seized the opportunity to entirely redesign how its occupational therapists work with all of its districts, to improve partnership working and increase transparency for the public. This originated from a single complaint. This is the sort of culture we all benefit from – one that takes the learning from complaints and uses it to improve services.

Complaint handling training

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. In 2017-18 we delivered 58 courses, training more than 800 people. We also set up a network of council

link officers to promote and share best practice in complaint handling, and hosted a series of seminars for that group. To find out more visit www.lgo.org.uk/training.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M King', with a horizontal line underneath the name.

Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Local Authority Report: Buckinghamshire County Council
For the Period Ending: 31/03/2018

For further information on how to interpret our statistics, please visit our website:
<http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
19	0	2	25	3	18	0	0	0	67

35

Decisions made

				Detailed Investigations			
Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Not Upheld	Upheld	Uphold Rate	Total
6	0	21	20	9	9	50%	65

Notes

Our uphold rate is calculated in relation to the total number of detailed investigations.
 The number of remedied complaints may not equal the number of upheld complaints. This is because, while we may uphold a complaint because we find fault, we may not always find grounds to say that fault caused injustice that ought to be remedied.

Complaints Remedied

by LGO	Satisfactorily by Authority before LGO Involvement
7	0

Communities, Health & Social Care (CHASC) Annual Customer Feedback 1/2

Annual CHASC Summary April 2017 – March 2018

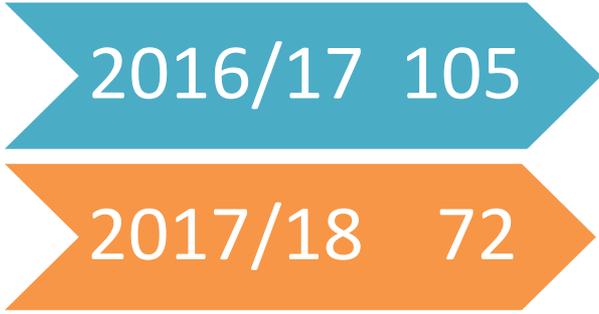
Formal Stage 1 Complaints Received



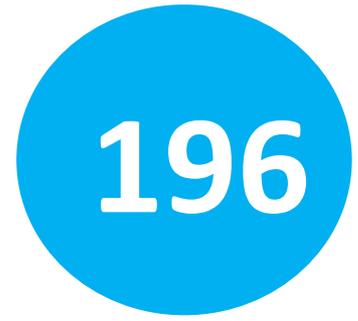
This represents a decrease of



Stage 1 complaints comparison for 2016/17



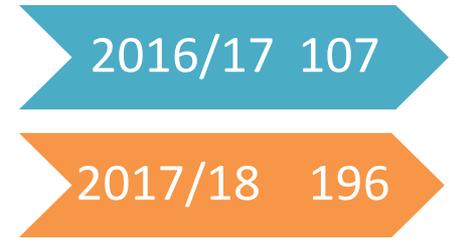
Compliments Received



This represents an increase of



Compliments comparison for 2015/16



Number of concerns received and dealt with within 48 hours



For statutory complaints the pre complaint stage is called the Concern Stage and it is a process that encourages local resolution to resolve issues.

Of the 55 Statutory Complaints, 19 were escalated from concerns.

An increase from 2016/17 = 64

Communities, Health & Social Care (CHASC)

Annual Customer Feedback 2/2

Annual CHASC Summary April 2017 – March 2018

Complaints where the Council is at fault (upheld) or partially at fault

Complaints where the Council is not at fault



12% withdrawn or out of jurisdiction

37

Corporate CHASC Average complaint response time



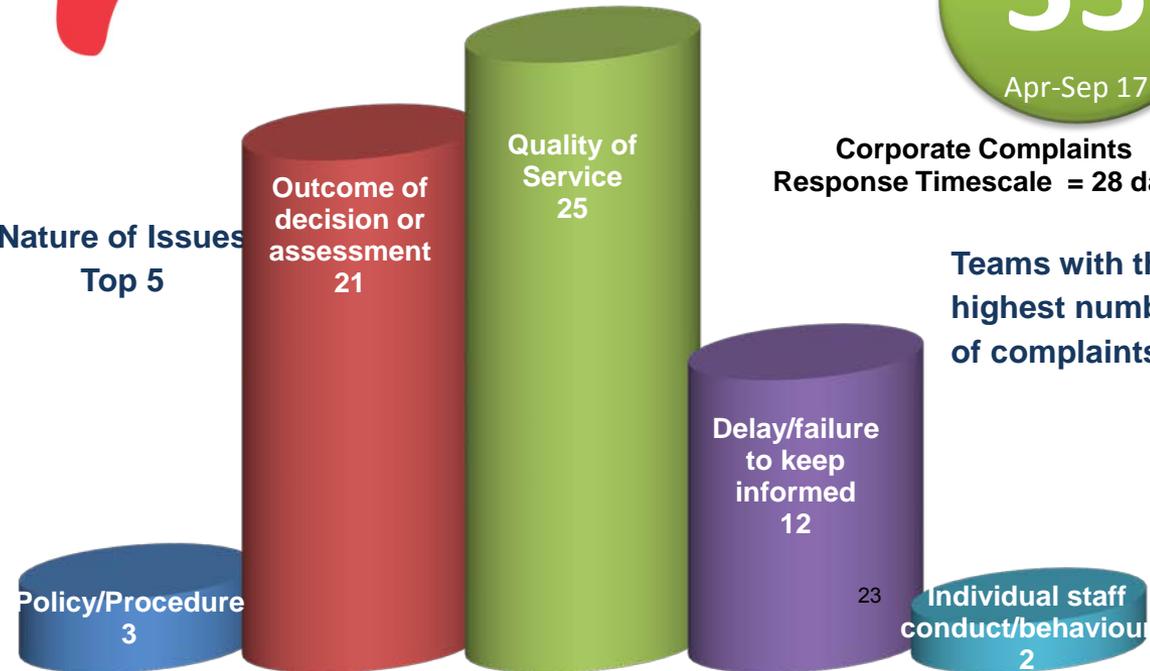
Statutory Average complaint response time



Adults Statutory Complaints Response Timescale = 6 Months

Corporate Complaints Response Timescale = 28 days

Nature of Issues Top 5



Teams with the highest number of complaints



Children's Services

Annual Customer Feedback 1/2

Appendix 1 – Annual (April 2017 – March 2018)

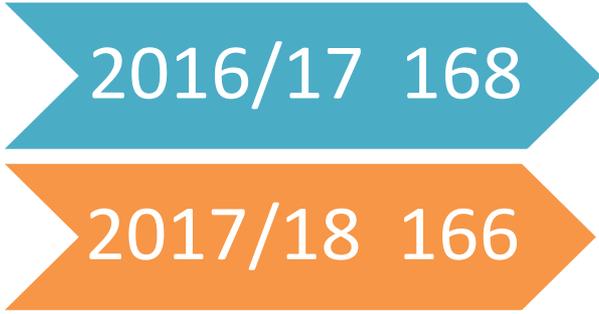
Formal Stage 1 Complaints Received



This represents a decrease of



Stage 1 complaints comparison for 2016/17



Stage 3 Panels



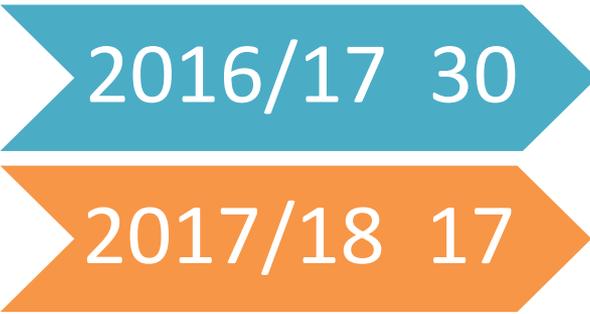
Complaints escalated to Stage 2



This represents a decrease of



Stage 2 complaints comparison for 2016/17



6
8

Stage 2 complaints upheld or partially upheld (overturning the outcome at stage 1)

The reasons for complainants expressing dissatisfaction after a stage 1 complaint can vary. Primarily this has been due the complainant suggesting that the Stage 1 response did not adequately address the issues of complaint and/or where they were left feeling as though the complaint had not been taken seriously. However, it is also fair to say that there have been occasions where escalation was inevitable irrespective of the effort put in at Stage 1 due to a break down in trust.

Children's Services

Annual Customer Feedback 2/2

Appendix 1 – Annual Children's Services Summary April 2017 – March 2018

Staged 1 Complaints where the Council is at fault (upheld) or partially at fault

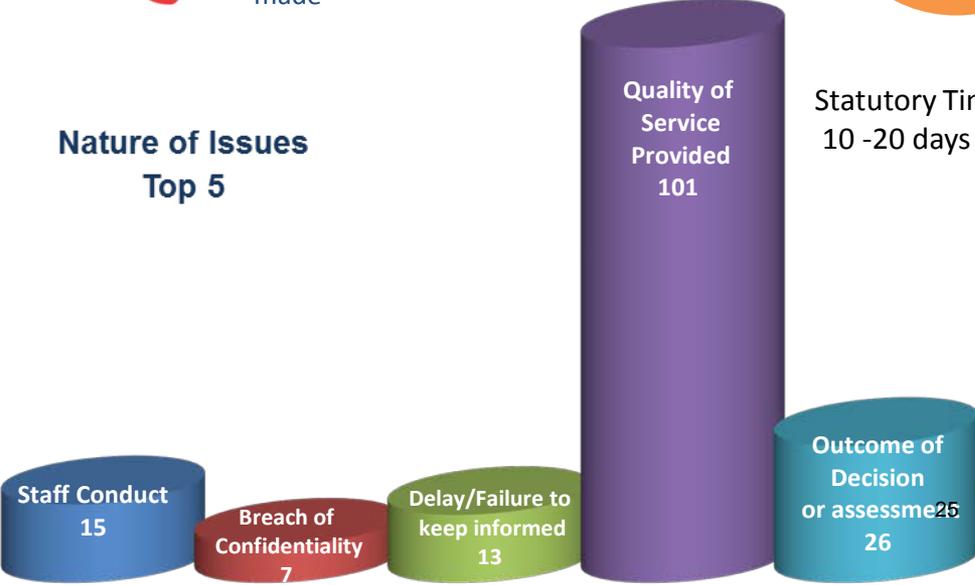


13% withdrawn, out of jurisdiction or no comment made

Stage 1 Complaints where the Council is not at fault



Nature of Issues Top 5



Average complaint response time

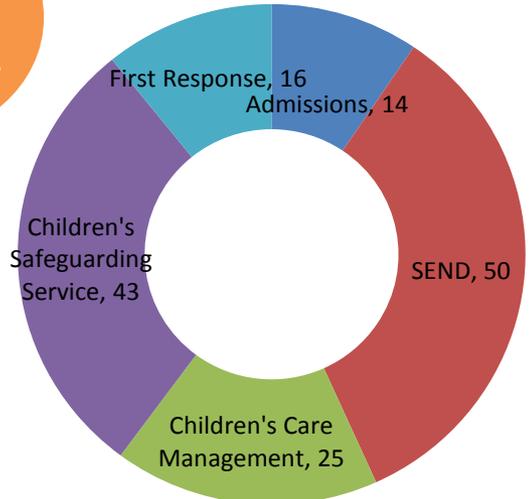
Statutory

Corporate



Statutory Timescale 10 -20 days

Teams with the highest number of complaints



Compliments Received



17% ↓

Corporate Timescale 28 days



Resources / Assistant Chief Executive's Service (ACEs)

Annual Customer Feedback 1/2

Annual Resources Summary April 2017 – March 2018

**Formal Stage 1
Complaints
Received**

43

*This represents a
decrease of*



22%

**Stage 1 complaints comparison for
2016/17**

2016/17 56

2017/18 43

**Average complaint
response time**

31

Apr – Sept
17

2017/18

17

Oct- Mar
18

21

Days

2016/17

**Compliments
Received**

54

*This represents a
decrease of*



23%

**Compliments comparison
for 2016/17**

2016/17 71

2017/18 54

Resources / Assistant Chief Executive's Service (ACEs)

Annual Customer Feedback 2/2

Annual Resources Summary April 2017 – March 2018

Complaints where the Council is at fault (upheld) or partially at fault

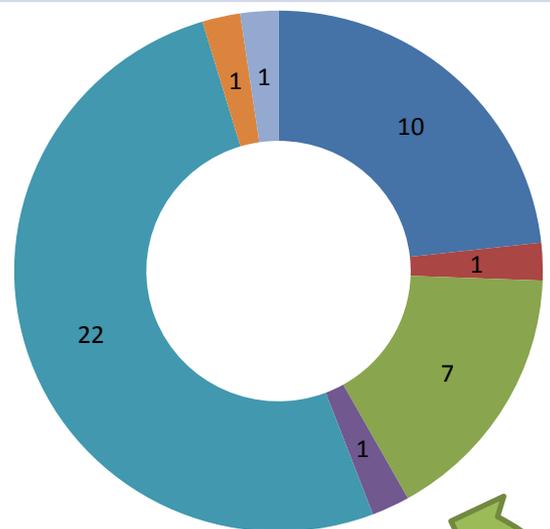


4% withdrawn/no comment made

Complaints where the Council is not at fault

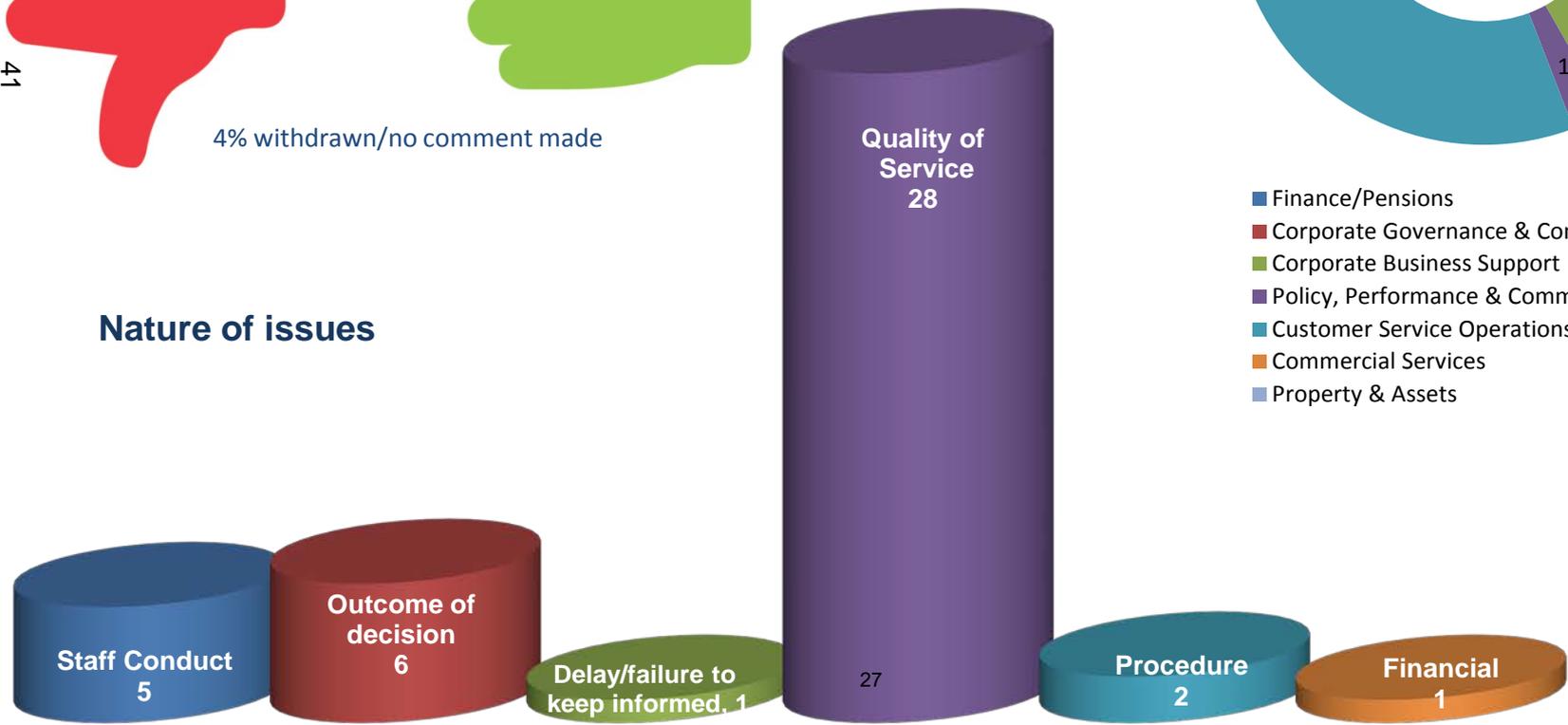


Breakdown by Service



- Finance/Pensions
- Corporate Governance & Complaints
- Corporate Business Support
- Policy, Performance & Comms
- Customer Service Operations
- Commercial Services
- Property & Assets

Nature of issues



Transport, Economy & Environment (TEE) Annual Customer Feedback 1/2

Annual TEE Summary April 2017 – March 2018

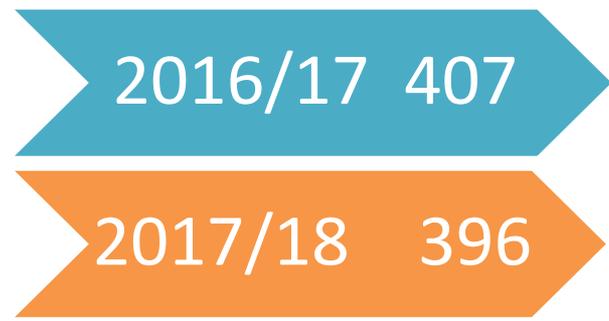
**Formal Stage 1
Complaints
Received**



*This represents
a decrease of*



**Stage 1 complaints comparison for
2016/17**



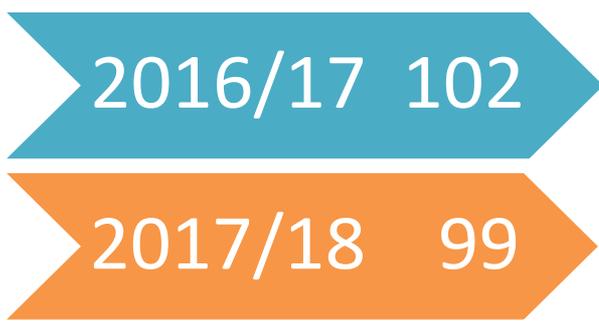
**Compliments
Received**



*This represents
a decrease of*



**Compliments comparison
for 2016/17**



**Average complaint
response time**



Transport, Economy & Environment (TEE)

Annual Customer Feedback 2/2

Annual TEE Summary April 2017 – March 2018

Complaints where the Council is at fault (upheld) or partially at fault

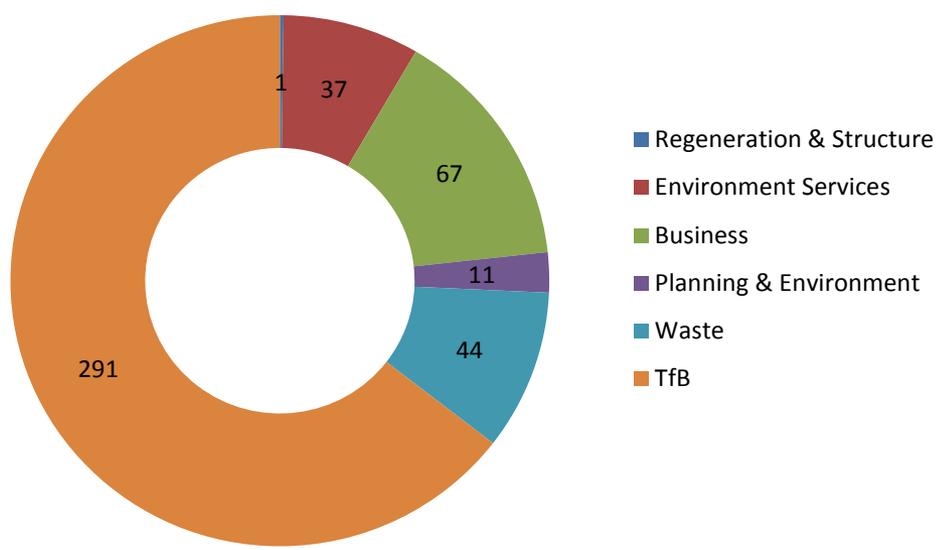


28% withdrawn, out of jurisdiction or not completed

Complaints where the Council is not at fault



Teams with the highest number of complaints



Nature of Issues Top 5



Proportion of Complaints for Transport for Buckinghamshire

2015/16	60%
2016/17	46%
2017/18	73%

More analysis for TfB is shown on a separate sheet

Transport, Economy & Environment – Transport for Buckinghamshire (TfB) - Annual Customer Feedback 1/2

Annual TfB Summary April 2017 – March 2018

Formal Stage 1 Complaints Received

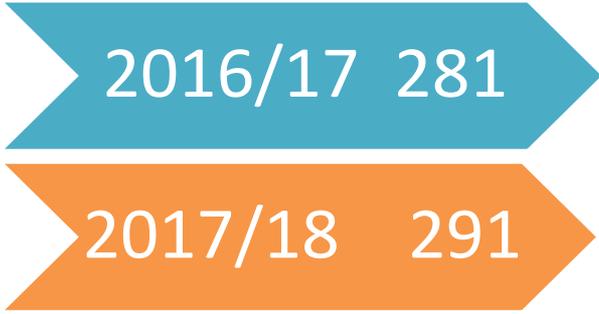


This represents an increase of



3.5%

Stage 1 complaints comparison for 2016/17



Compliments Received

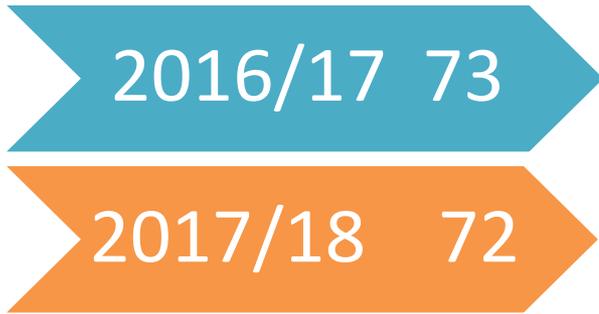


This represents a decrease of



1.3%

Compliments comparison for 2016/17



Average complaint response time



Transport, Economy & Environment – Transport for Bucks (TfB) Annual Customer Feedback 2/2

Annual TfB Summary April 2017 – March 2018

Complaints where the Council is at fault (upheld) or partially at fault

Complaints where the Council is not at fault



8% withdrawn, out of jurisdiction or not completed

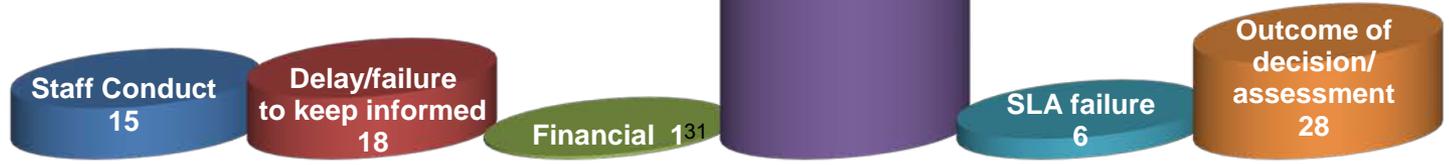
- Examples of 'Quality of Service' complaints:**
- damage caused to a common as a result of road works
 - resurfacing of Willis Road
 - the condition of the road surface in Stevens Close
 - a damaged dropped kerb reported over a year ago

Complaints by Team

Operations Aylesbury	66
Operations High Wycombe	39
Operations South Bucks	69
Street lighting	45
Network Strategy	3
Network Congestion	19
Claims	6
Highways	1
Growth Strategy	1
Asset Management	1
Schemes	33
Shared Services	1
Operations	7



Nature of issues



Annual Organisational Learning Summary 2017/18 - 1/2

Accountability is a key principle of complaints handling and ensuring that we follow up on complaints and keep our promises to customers is a huge part of this. As part of our improvement plan for complaints, we are encouraging an open culture where all services take responsibility for such learning. Being able to show what we have done to improve as a result of listening to our customers completes the complaint journey – both for customers and for the council. Traditionally, there has been no formal, consistent way of recording learning and action taken from complaints, but we are developing the new Respond system to do this across the complaints spectrum. **Below are a few brief examples:**

Corporate - various Business Units

Issue/recommendation:

46 From complaints about other issues, it became apparent that some areas of the website and some letterheads were advertising a premium rate telephone number.

Action taken:

Communications to the whole organisation asking teams to update letterheads and change all telephone numbers on the website to local rate numbers.

Issue/recommendation:

Commission a review of the insurance claims process following an increase in complaints and other queries.

Action taken:

Corporate Management Team agreed there should be an end-to-end review of the claims process. This will help to avoid the same issues occurring after winter next year.

TEE

Issue/recommendation:

The wording in the Fix My Street automated acknowledgment message wasn't clear (customers couldn't tell what was happening as a result of them reporting an issue).

Action taken:

We altered the wording to give customers a more accurate picture of what is being done.

Resources

Issue/recommendation:

A complaint about a Customer Service Advisor (CSA) refusing to log a fault on the customer's behalf and directed them to the website for future reports (which is the process we ask customers to adopt).

Action taken:

CSAs were advised to use greater discretion when dealing with customers and that in certain circumstances they could agree to log reports for customers.

CHASC

Issue/recommendation:

Social Workers should be provided with more support and training about finance matters.

Actions taken:

CHASC finance business partner has started to run finance workshops at team meetings, on areas critical to financial management and decision making. The workshops are supported by follow-up written guidance for officers.

47

Issue/recommendation:

To improve information sharing between safeguarding staff and other teams e.g. Contracts and Care Management.

Actions taken:

Safeguarding staff are now acting as link workers to the locality teams. The staff member is able to support and advise around safeguarding cases and will attend team meetings if required to ensure communication between safeguarding and locality teams is robust. BCC internal guidance has been updated to reflect this.

Children's Services

Issue/recommendation:

Families complaining about the Multi-Agency Initial Child Protection Conference process, and feeling unable to challenge the final decision.

Actions taken:

The process for challenging decisions made in an Initial Child Protection Conference was reviewed and updated guidance was circulated.

Issue/recommendation:

A young person in care complained that they were not fully advised that contact would be ceasing

Actions taken:

The policy with regard to Contract Arrangement Agreements was reviewed and amended in regards to letterbox arrangement.
Transfer protocol between service areas was reviewed.

Buckinghamshire County Council's Policy on dealing with abusive, persistent or vexatious complaints and complainants

1. About this procedure

- 1.1 This policy is about the management of abusive, persistent and/or vexatious complainants. It sets out how Buckinghamshire County Council ('the Council') will deal with complainants that fall within the scope of this definition. Those identified will be treated consistently, honestly and proportionately while ensuring that other service users, officers and the Council as a whole suffer no detriment. This policy applies to all areas of the Council.
- 1.2 It is considered that all complainants have the right to have their concerns examined in line with the relevant complaints procedure. In most cases, dealing with complaints will be a straightforward process; however in a minority of cases, the complainant may act in a manner that is deemed unacceptable.
- 1.3 They may act in a way that is considered abusive, unreasonably persistent or vexatious and by doing so it may hinder the Council's ability to investigate their complaint or the complaints of others. This behaviour may occur at any time before, during or after a complaint has been investigated.
- 1.4 The time spent on dealing with all complaints should be proportionate to the nature of the complaint and consistent with the outcome that is being sought being realistic and achievable.

2. How is unreasonable complaint behaviour defined?

- 2.1 It should be noted that raising a complaint about a Council service does not in itself constitute unreasonably persistent behaviour and neither do complainants who escalate through all stages of the relevant complaints procedure or those who express criticism about the complaints process itself.
- 2.2 The Council has adopted the Local Government Ombudsman's definition and the identified characteristics for unreasonable or unreasonably persistent complainants "*For us, unreasonable and unreasonably persistent complainants are those complainants who, because of the nature or frequency of their contacts with an organisation, hinder the organisation's consideration of their, or other people's, complaints*".

2.3 Examples of unreasonably persistent behaviour:

(this list is not exhaustive, nor does one single characteristic on its own imply that the person will be considered as being in this category)

- Refusing to specify the grounds of a complaint, despite offers of help.
- Refusing to cooperate with the complaints investigation process.
- Refusing to accept that certain issues are not within the scope of the Council's jurisdiction or within the scope of a complaints procedure.
- Insisting on the complaint being dealt with in ways which are incompatible with the adopted complaints procedure or with good practice.
- Making unjustified complaints about staff who are trying to deal with the issues, and seeking to have them replaced.
- Changing the basis of the complaint as the investigation proceeds.
- Denying or changing statements he or she made at an earlier stage.
- Introducing trivial or irrelevant new information at a later stage.
- Raising many detailed but unimportant questions, and insisting they are all answered.
- Submitting falsified documents from themselves or others.
- Adopting a 'scatter gun' approach: pursuing parallel complaints on the same issue with various members of staff and/or organisations.
- Making excessive demands on the time and resources of staff with lengthy phone calls, emails to numerous council staff, or detailed letters every few days, and expecting immediate responses.
- Submitting repeat complaints with minor additions/variations, which the complainant insists make these 'new' complaints.
- Refusing to accept the decision; repeatedly arguing points with no new evidence.

2.4 Examples of abusive and/or vexatious complainants

The Council will take steps to protect its staff from members of the public who are behaving in a way which is considered abusive and/or vexatious. This may include physical or verbal abuse and could include the following (however this list is not exhaustive):

- Speaking to the member of staff in a derogatory manner which causes offence.
- Swearing, either verbally or in writing despite being asked to refrain from using such language.
- Using threatening language towards Council staff which provokes fear.
- Repeatedly contacting a member of staff regarding the same matter which has already been addressed

3. **Managing unreasonable complainant behaviour**

3.1 This policy may be invoked if the Council considers that a complainant has behaved in a manner which is deemed unreasonable (see above). The Council may take any actions against a complainant that it considers to be reasonable and proportionate in the circumstances.

3.2 Types of actions the Council may take:

- Where the complainant tries to reopen an issue that has already been considered through one of the Council's complaints procedures, they will be informed in writing that the procedure has been exhausted and that the matter is now closed
- Where a decision on the complaint has been made, the complainant should be informed that future correspondence will be read and placed on file, but not acknowledged, unless it contains important new information
- Limiting the complainant to one type of contact (e.g. telephone, letter, email, etc.)
- Placing limits on the number and duration of contacts with staff per week or month
- Requiring contact to take place with a named member of staff and informing the complainant that if they do not keep to these arrangements, any further correspondence that does not highlight any significantly new matters will not necessarily be acknowledged and responded to, but will be kept on file
- Assigning one officer to read the complainant's correspondence, in order to ensure appropriate action is taken
- Offering a restricted time slot for necessary calls to specified dates and times

- Requiring any face to face contacts to take place in the presence of a witness and in a suitable location

4. Matters to take into account before taking action

4.1 Before taking a decision to invoke this policy consideration should be given to whether any further action is necessary, such as:

- Consideration about whether it is appropriate to convene a meeting with the complainant and a senior officer in order to seek a mutually agreeable resolution
- If it is known or suspected that the complainant has any special needs then consider offering an independent advocate who may assist the complainant with their communication with the Council
- Where more than one department is being contacted by the complainant, agree a cross departmental approach; and designate a lead officer to co-ordinate the Council's response.

4.2 Staff must be satisfied before taking any action as defined by this policy that the complainant's individual circumstances have been taken into account including such issues as age, disability, gender, race and religion or belief.

5. Imposing restrictions

5.1 In the first instance the Complaints Team in consultation with the relevant Head of Service¹ will communicate to the complainant either by phone or in writing to explain why this behaviour is causing concern, and ask them to change this behaviour. The Complaints Team will explain what actions the Council may take if the behaviour does not change.

5.2 If the complainant continues with the unreasonable behaviour the Complaints Team will consult with the Head of Legal and Compliance about whether it is necessary to take appropriate action by invoking this policy.

5.3 When the decision has been taken to apply this policy to a complainant, the Complaints Team will contact the complainant in writing (and/or as appropriate) to explain:

- why this decision has been taken

¹ All positions highlighted should be reviewed as to whether they are the most appropriate person for the proposed action

- what action the Council will be taking
 - the duration of that action
 - the review process of this policy
- and
- the right of the complainant to contact the Local Government Ombudsman about the fact that they have been treated as a persistent/vexatious complainant.

5.4 Any restriction that is imposed on the complainant's contact with the Council will be appropriate and proportionate and the complainant will be advised of the period of time the restriction will be in place for. In most cases restrictions will apply for between three and six months but in exceptional cases may be extended. In such cases the restrictions would be reviewed on a quarterly basis.

5.5 If the complainant continues to behave in a way which is deemed unacceptable then the Complaints Team, in consultation with the Monitoring Officer, may decide to refuse all contact with the complainant and cease any investigation into his or her complaint.

5.6 Where the behaviour is so extreme or it threatens the immediate safety and welfare of staff, the Council will consider other options, for example reporting the matter to the Police or taking legal action. In such cases, we may not give the complainant prior warning of that action.

6. New complaints from those who have been treated as being abusive, vexatious and/or unreasonably persistent complainants.

6.1 Any new complaints received from complainants who have come under this policy will be treated on their merits. The Council does not support a blanket ban on genuine complaints simply because restrictions may be imposed upon that complainant.

7. Review

7.1 The Complaints Team will review any restrictions which are imposed upon the complainant after three months and at the end of every subsequent three months within the period during which the policy is to apply.

7.2 Should the decision be taken to extend the period of restriction, the complainant will be advised in writing how the Council plans to go about this and that the decision to restrict contact will be put in place for a further specified period (e.g. six months). The outcome of any subsequent review will be communicated to the complainant, outlining if the restrictions will continue to apply and if so why.

7.3 If at the end of the restricted period it is considered that the complainant's behaviour is no longer deemed to be unreasonable, the Council will confirm this in writing advising that the restrictions have now been lifted.

8. Ceasing Contact with a Complainant

8.1 There may be occasions where the relationship between the Council and unreasonably persistent or vexatious complainants breaks down completely. This may even be the case while complaints are under investigation and there is little prospect of achieving a satisfactory outcome. In such circumstances, there may be little purpose in following all the stages of the complaints procedure. Where this occurs the Council will advise the complainant that they may approach the Local Government Ombudsman who may be prepared to consider a complaint before the procedure has run its course.

9. Record Keeping

9.1 The Complaints Team will keep a record of all complainants who have been treated as being unreasonably persistent, abusive and/or vexatious in accordance with this policy. This will include details of why the policy was invoked, what restrictions were imposed and for what period of time.

9.2 Anonymised information will be reported in the complaints annual report.

10. Links with other policies

10.1 Please note that this policy is not exhaustive and does not cover all forms of behaviour that may be considered unreasonable. In certain circumstances, it may be more appropriate to refer to the following policy.

- *PROTECT YOURSELF – a guide to personal safety*

Regulatory and Audit Committee

Title:	Risk Management Group update
Date:	Wednesday 12 September 2018
Author:	Maggie Gibb – Head of Business Assurance (and Chief Auditor)
Contact officer:	Maggie Gibb - 01296 387327

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Risk Management Group (RMG) is a working group of the Regulatory and Audit Committee. The RMG met on 12 June 2018 and 2 August 2018 and considered the following items:

Technology Services

The Head of Technology Services Operations, the Executive Director of Resources and the Interim Director of Technology Services presented the latest risk register

They explained that they had recently held a risk workshop (5 June 2018) which had been a great opportunity to 'deep dive' within the service and find out more about the challenges and risks within Technology Services.

It was confirmed that the corporate risk team had been working with Technology Services officers to review the risks within the service. The key risks identified/updated included infrastructure, cyber security, resourcing, the transition update and corporate governance.

Part of the Interim Director's remit would be to refresh the Technology Services Strategy and this will be done in conjunction with the newly appointed Joint ICT Director across the County Council, the NHS (the Buckinghamshire Healthcare NHS Trust (BHT) and NHS Buckinghamshire Clinical Commissioning Group.

Contract Management

The Executive Director for Transport, Economy and Environment and the Supplier Relationship Manager (SRM) attended to present the latest update on the management of the key risks relating to the Contract Management Improvement Plan.

Highlights from the improvement plan included:

- The launch of central commercial intelligence service;
- The launch of the 'Early Warning' indicator;
- Supplier Scorecard to be used as part of the Best Practice Self-Assessment;
- A set of actions around the compliance for procurement regulations to ensure that the correct procurement contract is being used;
- Further development to the Contract Management Application.

It was recognised that the direction of travel for the improvement programme had been positive since the permanent appointment to the SRM role, and that a dedicated project team had been assigned to moving the programme forward at pace.

The key risks relating to the Improvement Plan were discussed and challenged by Members, and a further update was requested to be presented to RMG in December 2018.

Debt Management/Key Financial Risks

The Finance Directors for Communities, Health and Adult Social Care (CHASC) and Children's Services (CS) attended the meeting to provide members with a brief verbal update on progress with the debt management improvement agenda and the key financial risks for their respective Business Unit.

A full report will be presented to the RMG on 10 October 2018.

Children's Improvement Programme

The Executive Director for Children's Services attended the meeting to present his report and give a verbal overview of the Children's Improvement Programme.

The following points were noted during discussion and in answer to Members questions.

- It was important that both social workers and managers had a thorough understanding of what good looked like.
- A Commissioner for Children's Services in Buckinghamshire was appointed following the inadequate judgements and, further to high level action plans, it was recommended in June 2018 that the Council retain operational control of its Children's Services, co-operating with the Department for Education (DfE)'s appointed advisers, Hampshire County Council.
- The first monitoring visit took place in early July, and part of the assessment was to confirm that the Council could identify issues at an early stage.
- Part of the initial 'inadequate' judgement was lack of evidence to show management oversight by the first line management tier; whether casefiles were reviewed and decisions had been ratified. The Service Director has now created a document outlining what good looks like for the first line management tier as part of a recommendation from Ofsted.
- A key skill that the Executive Director would like to see in a manager would be the ability to direct social workers effectively and the ability to identify strengths and weaknesses within themselves and their team.

- One of the key factors was the number of temporary staff in teams such as First Response and Child Protection where cases were most critical because of issues with recruitment.

In terms of the improvement journey itself, the five operational plans which had been developed using inspection methodology had been implemented and the Commissioner was satisfied. The overarching single plan would echo the Ofsted recommendations and would be completed before the end of the summer.

It was not known when Ofsted would return but it was likely to be 2019. The Commissioner would then report the outcome to the Secretary of State.

A further update on the key risks relating to the Improvement Programme will be presented to RMG in early 2019.

Recommendation

To **note** the report.

Supporting information to include the following if a decision is being requested:

Resource implications

None

Legal implications

None

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

Risk Management Group Terms of Reference

Regulatory and Audit Committee

Title: 2018/19 Business Assurance Update

Date: Wednesday 12 September 2018

Author: Maggie Gibb – Head of Business Assurance (and Chief Auditor)

Contact officer: Maggie Gibb

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

This report provides an update on the work delivered by the Business Assurance Team since the last Regulatory and Audit Committee, in accordance with the agreed 18/19 Business Assurance Strategy.

Recommendation

To note the report.

Supporting information to include the following if a decision is being requested:

Resource implications

None

Legal implications

None

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)



N/A

Background Papers

2018/19 Business Assurance Strategy

Buckinghamshire County Council

Business Assurance Update

2018/19

Regulatory and Audit Committee

12 September 2018



Contents

Introduction	3
Resources	4
Risk Management.....	5
Internal Audit.....	5
Business Assurance	9
APPENDIX 1.....	10
APPENDIX 2.....	14

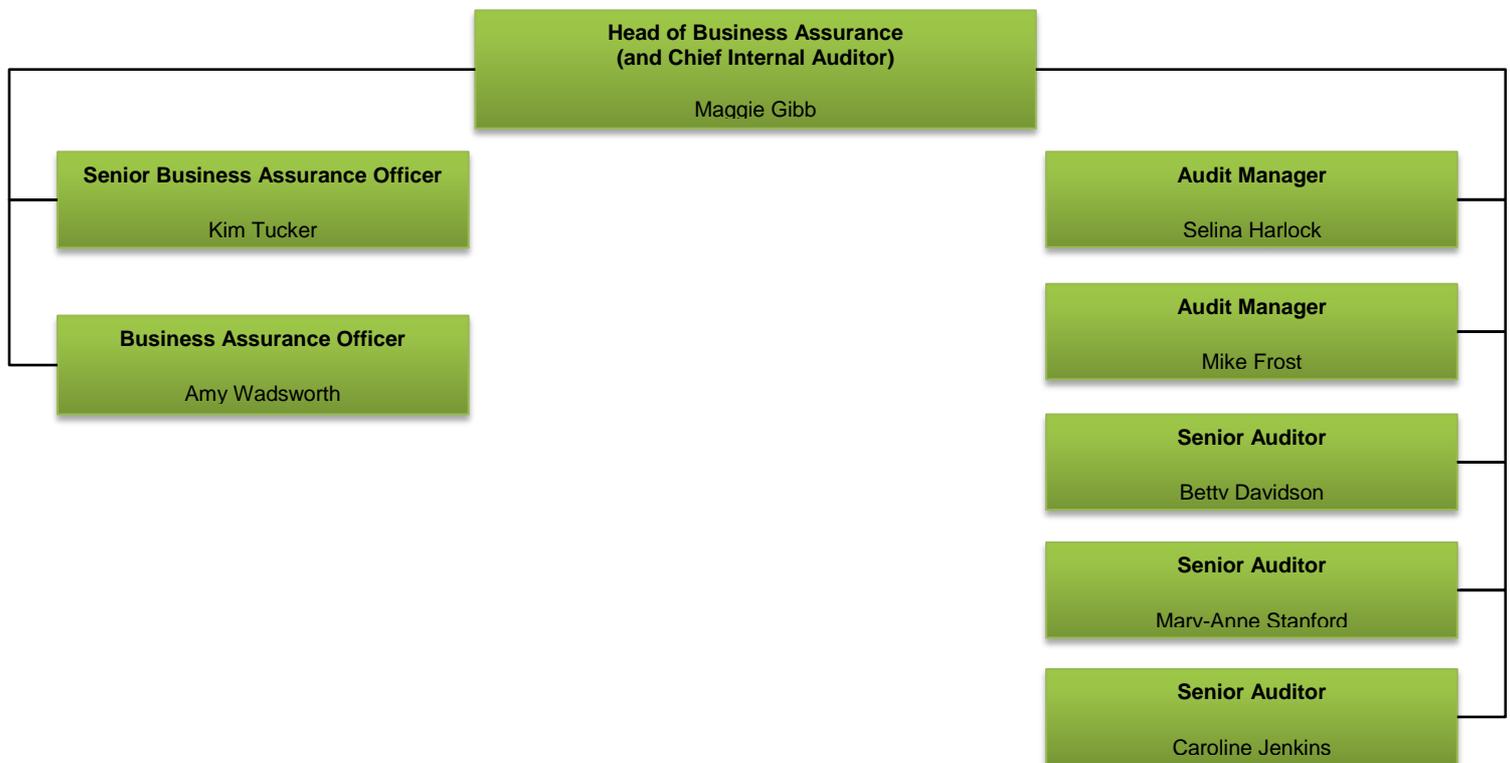
Introduction

1. The Business Assurance Team is responsible for implementing the Council's Assurance and Risk Strategy through delivery of work programmes covering the following areas of activity:
 - Risk Management;
 - Internal Audit;
 - Counter Fraud; and
 - Assurance Framework.
2. The 2018/19 Internal Audit, Risk Management and Assurance work plans were produced with reference to the Strategic and Business Unit Risk Registers and informed through discussion with the Senior Leadership Team for each Business Unit.
3. Delivery of the Business Assurance work plan helps ensure that there is an appropriate governance and control framework in place and that risk management is embedded across the Council.
4. The Internal Audit Plan evolved in quarter two of the financial year and any pressures/changes have been discussed and agreed at the Audit Board. The changes made have been as a result of unplanned investigations and urgent audit activity placing constraints on the Business Assurance Team.
5. The Business Assurance Team has been progressing with the delivery of the Counter-Fraud Plan, which includes the proactive activity detailed in Appendix 2. The Council continues to participate in the NFI data matching exercise; and in the last 2016/17 exercise which closed earlier in the year we saw improved engagement from services. The process for the 2017/18 data matching has commenced and the Business Assurance Team has started engaging the services and the schools to ensure key Cabinet Office deadlines are met. In the second half of 2018/19 continued focus will be placed upon completion of the proactive probity activities, overseeing the investigation of NFI data matches, and responding to referrals of suspected fraud and financial

irregularity. A full update on counter-fraud activities will be presented to the Regulatory and Audit Committee in November 2018.

Resources

6. The Business Assurance Team (BAT) is fully resourced and consists of eight members of staff. The audit activity is delivered through a mixed economy approach of an in-house team and an outsourced arrangement with Mazars via the London Audit Framework agreement. Mazars are also supporting the BAT in the delivery of the IT and other specialist audits such as GDPR planned for this year.



Risk Management

7. Work has been continuing to embed the Corporate Risk Management System across the organisation. All Business Units are now using the system with support from the network of Risk Champions working closely with the Senior Business Assurance Officer. Regular reporting is provided to the Corporate Management Team; Business Unit Boards and Risk Management Group.
8. A number of risk sessions have been facilitated by the Senior Business Assurance Officer to support the Finance Management Improvement Programme. Each of the workstream leads has identified the key risks relating to the project objectives/activity, and the risks/mitigating actions will be included in the highlight report.
9. The Risk Management Group met on 12 June and 2 August 2018, and an update is to be provided to the Regulatory and Audit Committee on 12 September 2018.

Internal Audit

10. The Internal Audit Function, supported by Mazars (through the London Audit Framework) has been progressing with delivery of the approved 2018/19 audit assignments. To date the team have performed two grant validation reviews, finalised four audits, and a further four audits are currently at draft report stage.
11. Whilst we have an agreed Internal Audit plan which was approved as part of the Business Assurance Strategy, we have adopted a more fluid approach in the delivery of the audit plan. The Internal Audit activity is continuously reviewed and amended as required and remains flexible to react to emerging issues/ risks.
12. The Audit Board, chaired by the Director of Finance and Procurement (S151), met on 3 September 2018 and reviewed progress against the Business Assurance Strategy, in particular delivery of the Internal Audit Plan. The Board considered and approved the requests for deferring some audit activity, adding unplanned high risk audit activity and the resulting impact on resourcing the current plan. Any changes to the original 2018/19 Internal Audit Plan are included in the table at Appendix 1 (highlighted in red).

Internal Audit Activity Progress Update Report:

Service	Audit	Status / Opinion
Resources	<p>Payroll Follow-Up (17/18) This audit reviewed the controls in place over the following key areas: Risk Area 1: Policies, Procedures and Training Risk Area 2: System Access, Data Security and Integrity Risk Area 3: Starters, Leavers and Movers Risk Area 4: Expenses Risk Area 5: Variations Risk Area 6: Deductions Risk Area 7: Master Data Risk Area 8: Overpayments Risk Area 9: Monthly Pay Run Controls Risk Area 10: Reconciliations and Suspense Account Risk Area 11: Other Payroll Services</p>	Reasonable
Resources	<p>Feeder Systems This audit reviewed the controls in place over the following key areas: Risk Area 1: Identification of Feeder Systems Risk Area 2: Roles and Responsibilities Risk Area 3: Processing financial transactions Risk Area 4: Reconciliations</p>	In Progress
Resources	<p>Cyber Security The scope of this assurance review covered the following key risk areas: Risk Area 1: Boundary firewalls and internet gateways Risk Area 2: Secure configuration Risk Area 3: User access control Risk Area 4: Malware protection Risk Area 5: Patch management</p>	In Progress
Resources	<p>Income Generation The follow-up work covered the arrangements currently in place and the areas of controls that were previously found to be weak or ineffective to provide assurance. These are as follows: Risk Area 1: Income Generation Strategy Risk Area 2: Governance Arrangements Risk Area 3: Risk Management Risk Area 4: Decision Making Processes & Evaluation of Initiatives Risk Area 5: Management Reporting & Monitoring of Income Generation</p>	Draft Report
TEE	<p>LEP Growth Hub Grant We have examined the claim submitted by Buckinghamshire County Council on behalf of Buckinghamshire Thames Valley LEP (the LEP). We have examined the records as necessary and obtained such explanations and carried out such tests as we consider necessary to validate the claim.</p>	Grant Validated – Audit Letter Issued
TEE	<p>Contract Management Audit – NSL (17/18) The scope of this audit will include, but is not limited to, the following key risk areas: Risk Area 1: Contract Governance Risk Area 2: Administration Risk Area 3: Risk Management Risk Area 4: Payments, Incentives and Penalties Risk Area 5: Contract Performance</p>	Reasonable

Service	Audit	Status / Opinion
TEE	Bus Subsidy Grant The review will verify that the amount claimed was correct to expenditure. The review also involves taking a sample of transactions to ensure that the costs claimed are eligible under the grant conditions.	In Progress
TEE	One Transport Grant The review will verify that the amount claimed was correct to expenditure. The review also involves taking a sample of transactions to ensure that the costs claimed are eligible under the grant conditions.	In Progress
TEE	Transport for Bucks TfB – Financial Management The scope of this audit will include, but is not limited to, the following key risk areas: Risk Area 1: Identification of programme of work Risk Area 2: Approval and completion of works Risk Area 3: Application for Payment Risk Area 4: Risk and Performance Management	In Progress
TEE	Highways Infrastructure Projects The audit assessed the controls in the following areas: Risk Area 1: Governance and Decision making Risk Area 2: Project Management Risk Area 3: Funding and Expenditure Risk Area 4: Risk Management	In Progress
CHASC	Continuing Health Care (CHC) – Application Criteria The audit assessed the controls in the following areas: Risk Area 1: Policies and procedures Risk Area 2: Client Assessment and Eligibility Risk Area 3: Finance	In Progress
CHASC	Financial Controls and Forecasting The audit assessed the controls in the following areas: Risk Area 1: Financial Management Risk Area 2: Budget Planning and Forecasting Risk Area 3: Budget Management and Monitoring Risk Area 4: Budget Shortfall/ variances to budget projections	In Progress
CHASC	Debt Recovery The scope of this audit will include, but is not limited to, the following key risk areas: Risk Area 1: Policies and Procedures Risk Area 2: Billing and Invoicing Risk Area 3: Debt Monitoring Risk Area 4: Debt Recovery and Enforcement Risk Area 5: Risk and Performance Management	In Progress
CHASC	Direct Payments Follow-Up (17/18) The scope of this audit will include, but is not limited to, the following key risk areas: Risk Area 1: Direct Payments Risk Area 2: Direct Payments Assessments and Arrangements	Reasonable
CHASC	Contract Management Audit – Fremantle (17/18) The scope of this audit will include, but is not limited to, the following key risk areas: Risk Area 1: Contract Governance Risk Area 2: Administration Risk Area 3: Risk Management Risk Area 4: Payments, Incentives and Penalties Risk Area 5: Contract Performance	Draft Report

Service	Audit	Status / Opinion
Children's Services	<p>Financial Controls and Forecasting The audit assessed the controls in the following areas: Risk Area 1: Financial Management Risk Area 2: Budget Planning and Forecasting Risk Area 3: Budget Management and Monitoring Risk Area 4: Budget Shortfall/ variances to budget projections</p>	In Progress
Children's Services	<p>LADO The audit assessed the controls in the following areas: Risk Area 1: Management of Cases Risk Area 2: Data Security Risk Area 3: Performance and Management Information</p>	Draft Report
Children's Services	<p>Families First – Claim 1 The objective of this review is to provide assurance on the accuracy of the applications for funding and data validation.</p>	Grant Validated – Audit Letter Issued
Children's Services	<p>Carrington School Follow Up The focus of this audit was to verify whether the audit management actions in the 2017/18 audit report have been completed and provide assurance that the overall financial controls are adequate.</p>	Substantial
ACES	<p>Contract Management Audit – Harrow Barnet Public Law (17/18) The scope of this audit will include, but is not limited to, the following key risk areas: Risk Area 1: Service Provisions to Business Units Risk Area 2: Monitoring the Use of HBPL Risk Area 3: Payments, Incentives and Penalties</p>	Draft Report

Business Assurance

13. The Business Assurance Team is currently supporting the delivery of the Financial Management Improvement Project which is aiming to ensure confidence in the Council's financial management arrangements. The team is providing risk management and assurance support to this project through involvement in each of the four work streams. The support being provided includes reviewing new processes or process changes with the view of identifying control weaknesses and/or inefficiencies prior to them being implemented.

14. The Senior Business Assurance Officer has been working with the Supplier Relationship Manager and supporting in the delivery of the SRM Improvement Plan. Work being undertaken includes ensuring adequate engagement from each Business Unit and getting all active contracts onto the Contract Management Application.

Maggie Gibb,

Head of Business Assurance (and Chief Internal Auditor)

September 2018

APPENDIX 1

Regulatory & Audit Committee September 2018 - Progress against 2018/19 Internal Audit Plan

Audit	Timing	Progress as 3 September 2018
Cross Cutting		
National Fraud Initiative	Q1-Q4	On-going
Pro-Active Anti-Fraud Activity (incl. Continuous Auditing)	Q1-Q4	On-going
Grant Validation	Q1-Q4	On-going
Contract Audits	Q1-Q4	Planning in progress
Savings/Efficiency Targets Rationalisation and Achievement	Q3	Planning in progress
Resources		
Payroll Follow-up (17/18)	Q1	Final Report
HBPL (Phase 1)	Q2	Draft Report
Feeder Systems	Q2-Q3	Fieldwork
IR35	Q4	Planning in progress
Pensions	Q3	Planning in progress
Key Financial Systems	Q3	Planning in progress
ICT - Delivery of Technology Strategy	Q4	Deferred (agreed by Audit Board)
Cyber Security	Q3	Fieldwork
Income Generation	Q2	Draft Report
Property - Governance and Decision Making	Q4	Planning in progress
HR - DBS Checks	Q3	Planning in progress

Audit	Timing	Progress as 3 September 2018
Procurement	Q4	Planning in progress
GDPR	Q4	Planning in progress
Consultation Strategy	Q4	Planning in progress
HBPL - Contract Management Audit Phase 2	Q3	Planning in progress
Partnerships, including Framework Review	Q4	Planning in progress
Respond - System audit (go-live April 2018)	Q4	Deferred (agreed by Audit Board)
TEE		
NSL Contract (17/18)	Q1	Final Report
Safer Roads Fund Grant	Q3	Fieldwork
LEP Growth Hub (Due 25/5)	Q2	Grant Verification complete
LEP Local Growth Fund (Due 29/07)	Q3	Fieldwork
Bus Subsidy Grants Due 30/9)	Q3	Fieldwork
TfB Financial Management	Q2-3	Fieldwork
Buckinghamshire Pot Hole Grant Fund	Q3	Fieldwork
Client Transport Deep Dive Review	Q4	Deferred (agreed by Audit Board)
Highway Infrastructure Projects	Q3	Fieldwork
Growth Strategy - Governance	Q4	Planning in progress
Routewise audit	Q4	New audit (agreed by Audit Board)
Ringway Jacobs - Themed Audit	Q4	Planning in progress

Audit	Timing	Progress as 3 September 2018
CHASC		
Direct Payments Follow-up (17/18)	Q1	Final Report
Use of Direct Payments	Q3	Planning in progress
CHCs - Application of Criteria	Q2	Draft Report
Financial Processes - end to end	Q3	Planning in progress
Financial Controls and Forecasting	Q2-3	Fieldwork
Fremantle Contract (17/18)	Q1	Draft Report
Debt Recovery	Q2-3	Fieldwork
ASC Audit Processes	Q4	Planning in progress
Medications Policy	Q3	Planning in Progress
DoLS	Q4	Deferred (agreed by Audit Board)
Children's Services		
Children's Services Panel Processes (Children's Care Planning and Resources Panel and Complex Needs Panel)	Q3	Planning in Progress
Financial Controls and Forecasting	Q2-3	Fieldwork
LADO	Q2	Draft Report
NCTL Grant (Due 26/01/19)	Q3-4	Grant Verification requiring IA sign off. Ashmead Combined & Bedgrove Infant
Families First - Claim 1 (Due 31/07/18)	Q2	Grant Verification completed
Families First - Claim 2 (Due 31/10/18)	Q3	Grant Verification requiring IA sign off.
Families First - Claim 3 (Due 31/03/19)	Q4	Grant Verification requiring IA sign off.

Audit	Timing	Progress as 3 September 2018
Hannah Ball Follow Up	Q3	Limited Opinion Report in 17/18
Highworth School Follow Up	Q3	Limited Opinion Report in 17/18
Downley School Follow Up	Q3	Limited Opinion Report in 17/18
Carrington School Follow Up	Q1	Final Report
Commissioning Placements	Q4	Planning in progress

APPENDIX 2

Regulatory & Audit Committee - Progress against 2018/19 Counter Fraud Plan

Audit Title	Rationale	Timing	Progress
<i>Proactive and Probity Audits</i>			
Declaration of Pecuniary Interests	<p>Carry Forward from 2017/18</p> <p>The NFI 2016/17 report identified data matches between payroll data to Companies House data and then to trade creditor data, highlighting potential undeclared interests. Matches will be investigated to determine if interests should have been declared in relation to the letting of a contract.</p>	Q3	Planning in progress
Procurement/ Supply Chain Fraud	<p>All unlawful activity that happens throughout the procurement cycle including the sourcing, letting of contracts and contract management phase of the cycle. Review will focus on the identification of contracts that have been continuously extended, where the spend has exceeded agreed amounts, long standing contracts that have had the same contract manager for a number of years.</p>	Q4	Planning in progress
Expense Claims including Agency Staff	<p>There is an inconsistent approach to the retention of expense receipts across the Council and reliance is placed on management adequately reviewing the claim against the receipts. Furthermore, poor practices were identified during a Payroll audit where instances of expense claim fragmentation may be occurring, as such these exceptions will be considered.</p> <p>Continuous review to ensure that the poor practices identified in prior reviews are being addressed.</p>	Q1-Q4	In progress
Recruitment Fraud	<p>An investigation carried out last year identified potential vulnerabilities that may be exploited within the current recruitment process. This exercise will include a review of qualifications, application references, right to work status and where applicable the DBS outcomes.</p>	Q1-Q4	In progress
NFI Exercise	<p>Work with the Business Units to collate the data that is required as part of the NFI exercise for 17/18.</p>	Q3	In progress

<i>Counter Fraud Awareness Exercises</i>			
Policy Reviews	Review and refresh the Anti-Fraud and Corruption Strategy.	Q3	In progress
Knowledge Share Exercise	Hold formal sessions to groups across the Council to raise awareness of what the Business Assurance Team's responsibilities are in relation to fraud and counter-fraud, different types of fraud, whistleblowing procedures etc.	Q1-Q4	In progress
Internal Communications	Continue to send messages across the Council to promote 'good practice' and raise awareness of potential indicators of fraud and staff responsibilities.	On-Going	
<i>Reactive Activity</i>			
Service Investigations	Assess cases referred via whistleblowing channels and investigate where necessary.	On-going	Ad-hoc

Regulatory and Audit Committee

Title:	Contract Standing Orders - Exemptions / Breaches
Date:	12 September 2018
Author:	Richard Ambrose
Contact officer:	Helen Bold (01296) 383660
Local members affected:	N/A

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

This report provides an updated summary in relation to compliance with the Council's Standing Orders relating to Contracts (CSO) and compliance with the Public Procurement Regulations

The reporting period covers the following periods:

- 1st April 2017 until 31st March 2018
- 1st April 2018 until 30th June 2018

Recommendation

Members are asked to NOTE this report

1. Background

The Committee have received previous reports on this subject, the last presented on 31st January 2018.

2. Standing Orders Relating to Contracts, Exemptions and Breaches

Standing Order 7 of the Contract Standing Orders states that all purchases over £25K must be subject to competition.

Standing Order 5 allows an exemption to the requirement for competition and allows a contract to be placed by direct negotiation with one or more suppliers.

Exemptions under this Order, however, cannot be granted if EU Regulations apply i.e. purchases with a value of £181,302 or above. If a direct award is made which is above this threshold (if a legal alternative such as a Framework is not used) a breach has occurred and officers are obliged to report this to the S151 and monitoring officer (statutory officers).

2. Exemptions

Procurement carries out commercial assessments on all exemptions using a risk-based approach. Legal and financial input is requested when appropriate.

Any exemption which exceeds £50k must have a financial assessment by the Finance Director of the particular Business Unit.

All exemptions are assessed by the S151 Officer. For an exemption below 50K this sits in Procurement. The Head of Strategic Finance assesses above 50K exemptions.

The final sign off is provided by the Executive Director for that Business Unit and by the Cabinet Member or Portfolio Holder.

The main factors considered in how the risk rating is arrived at include:

- The value of the contract and previous spend on the contract
- Reasons for the exemption e.g. only one supplier able to deliver, disruption to service
- Any risks associated with the particular supplier
- Whether the marketplace is prone to challenge
- The requirement is a one-time requirement
- There is an on-going requirement but a compliant procurement process is underway or substantially planned
- Possible reputational damage

Exemptions summary F/Y 17/18

- There were a total of 13 completed exemptions during 17/18. There were 18 in 16/17
- The highest value exemption was for £161,000
- The lowest exemption value was £25,000
- The total value of exemptions approved during 17/18 was £965,220
- This is less than the same period in 16/17 when the total value was £1,208,374

Exemptions summary Qtr. 1 F/Y 18/19

- There were 3 completed exemptions
- The total value of exemptions approved during this quarter is £476,892

Please see Appendix one, figures 1, 2 and 3 for a breakdown of these exemptions.

4. Breaches to public procurement regulations

Three breaches have been reported to the Statutory Officers in the period since the last report. Please see Confidential Appendix 2 for the full reports

5. Publication of Opportunities and Award Notices

The Public Procurement Regulations 2015 require Local Authorities to publish contract opportunities and award notices on the Government website Contracts Finder where the value is above their own quotation threshold.

In addition the Government Transparency Agenda requires all contracts with a value of 5K and higher to be published.

The Crown Commercial Service (CCS) is still considering the sanctions that will apply for non-compliance with these requirements. Currently CCS is monitoring these areas via a Mystery Shopping approach.

BCC meets these 2 requirements by including a 'Contract Award' step in the e-sourcing system for all 5K contracts which then publishes the Contract Notice electronically to ensure compliance.

Other LA's have adopted a different approach e.g. publishing details of 5K + contracts on their own webpages. There is no standard approach to meeting these requirements which allows comparisons or any benchmarking with other Authorities. The different quotation thresholds that Authorities use also make comparisons difficult.

For the period 1st April 2018 – 7th Aug 2018 a total of 310 projects were started in BCC and approximately **83%** have a complete award notice on Contracts Finder.

Quarterly reports are issued to officers to remind them to complete this step and these reports are also sent to the Business Unit Finance Directors.

The Council has been subject to one Mystery Shopper case in November 2015 but since then there have been no Mystery Shopping cases involving the Council.

Appendix 1

Fig. 1 - Data summary

Summary of all Exemption to Standing Orders registered during Complete Fiscal Year 17/18

Summary Complete FY 2017/18	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Total
Total number. of exemptions registered	3	4	4	3	14
Total number. of exemptions cancelled during process	0	1	0	0	1
Lowest value exemption (excluding cancelled)	£25,000	£46,250	£43,785	£35,308	
Highest value exemption (excluding cancelled)	£80,000	£147,307	£161,000	£45,000	
Total no. of exemptions raised retrospectively (excluding cancelled)	0	1	1	1	3
Total value of retrospective exemptions (excluding cancelled)	N/A	£102,000	£53,000	£40,000	
Total value of all exemptions	£195,732	£295,557	£353,623	£120,308	£965,220

Summary of all Exemption to Standing Orders registered during Q1 Fiscal Year 18/19

Qtr. 1 2018/19	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Total
Total number. of exemptions registered	4				4
Total number. of exemptions cancelled during process	1				1
Lowest value exemption (excluding cancelled)	£43,500				
Highest value exemption (excluding cancelled)	£388,392*				
Total no. of exemptions raised retrospectively (excluding cancelled)	1				1
Total value of retrospective exemptions (excluding cancelled)	£45,000				

Total value of all exemptions	£476,892				£476,892
--------------------------------------	----------	--	--	--	----------

*Legal advised that although this was in excess of the thresholds set out by CSO it was not a breach of EU thresholds (social care services have a threshold of £589,148 and therefore this was treated as an exemption and not a breach

Fig. 2 - Exemptions by Risk

Complete Fiscal Year 2017/18 and Q1, FY 2018/19

Exemptions are assessed by Procurement, S151 Monitoring Officer and where required Finance and Legal.

Summary Complete Fiscal Year 2017/18	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	FY 17/18
Total no. of exemptions registered	3	4	4	3	13
Total no. of exemptions cancelled during process	0	1	0	0	1
Total no. of exemptions categorised as Low risk (excludes cancellations)	3	2	4	3	12
Total no. of exemptions categorised as Medium risk (excludes cancellations)	0	1	0	0	1
Total no. of exemptions categorised as High risk	0	0	0	0	0

Summary Q1, FY 2018/19	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	FY 18/19
Total no. of exemptions registered	4				4
Total no. of exemptions cancelled during process	1				1
Total no. of exemptions categorised as Low risk (excludes cancellations)	3				3
Total no. of exemptions categorised as Medium risk (excludes cancellations)	0				0
Total no. of exemptions categorised as High risk	0				0

Fig.3 - Exemptions by Service Area

Complete Fiscal Year 2017/18 and Quarter 1, FY 2018/19 (excludes cancelled Exemptions)

Exemptions to Contract Standing Orders by Service Area (April 2017 –March 2018)	No. Low / Medium Risk	No. High Risk
CHASC - Adult Social Care	1	
CHASC - Culture & Leisure, Sport & Tourism	1	
CHASC - Strategic Commissioning	3	
CHILDRENS SERVICES - Learning, Skills & Prevention	1	
RESOURCES - Corporate Business Support	1	
RESOURCES - Finance Operations	1	
RESOURCES - Treasury	1	
TEE - Environment	2	
TEE - Growth & Strategy	1	
TEE - Waste Management	1	
TOTAL	13	

Exemptions to Contract Standing Orders by Service Area (April 2018 - June 2018)	No. Low / Medium Risk	No. High Risk
CHILDRENS SERVICES - Children's Strategic Commissioning	1	
RESOURCES - Procurement	1	
TEE - Environment	1	
TOTAL	3	

Regulatory & Audit Committee Forward Plan – Forward Plan

Date of meeting	Items ^ = to OCB	Report Writer
21 Nov 18	<ol style="list-style-type: none"> 1. Treasury Management Update 2. Annual Governance Statement Action Plan 3. Mandatory Training Compliance Update 4. Risk Management Group update 5. Forward Plan 6. 18/19 Business Assurance Update 7. Whistleblowing Policy 8. Anti-Fraud and Corruption Policy 9. Anti-Money Laundering Policy 10. Local Code of Corporate Governance 	<ol style="list-style-type: none"> 1. Julie Edwards 2. Richard Ambrose and Maggie Gibb 3. Caroline High 4. Maggie Gibb 5. Maggie Gibb 6. Maggie Gibb 7. Anne Nichols/Rob Taylor 8. Maggie Gibb 9. Maggie Gibb 10. Maggie Gibb
Private Papers	<ol style="list-style-type: none"> 11. Closed session with External Auditor – 30 mins 12. Closed session with Internal Auditor – 30mins 	<ol style="list-style-type: none"> 11. Grant Thornton 12. Maggie Gibb

85

Deferred Items

Review of Constitution

Claire Hawkes

Petitions Review

Claire Hawkes

Provisional Dates for 2019

30 January

4 April

6 June

30 July

11 September

20 November

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

