

# Nottingham City Council

## Audit Committee

Minutes of the meeting held at Remote - via Zoom -  
<https://www.youtube.com/user/NottCityCouncil> on 26 June 2020 from 10.30 am  
- 1.20 pm

### Membership

#### Present

Councillor Steve Battlemuch (Chair)  
Councillor Leslie Ayoola  
Councillor Graham Chapman  
Councillor Michael Edwards  
Councillor Jane Lakey  
Councillor Lauren O`Grady  
Councillor Anne Peach  
Councillor Andrew Rule  
Councillor Audra Wynter (Vice Chair)

#### Absent

### Colleagues, partners and others in attendance:

Councillor Cheryl Barnard  
Councillor David Mellen  
Theresa Channell - Head of Strategic Finance  
John Gregory - Grant Thornton External Auditors  
Katherine Kerswell - Interim Chief Executive  
Laura Pattman - Strategic Director of Finance  
Shail Shah - Head of Audit and Risk  
John Slater - Group Auditor  
Catherine Underwood - Corporate Director for People  
Kate Morris - Governance Officer

### 1 Apologies

None

### 2 Declarations of Interests

Councillor, Steve Battlemuch, Lauren O`Grady and Audra Wynter all declared an Other Interest in agenda items 10, Exempt Minutes, and 11, External Audit Plan Update – exempt appendix, because they are Directors of the Robin Hood Energy Board. They left the meeting prior to discussion and voting on this item.

### 3 Minutes

The Committee confirmed the minutes of the meeting held on 28 February 2020 as a correct record and they were signed by the Chair.

#### **4 Independent Inquiry into Child Sexual Abuse**

David Mellen, Leader of the Council, and former Portfolio Holder with responsibility for Children's Services introduced the update on the Independent Inquiry into Child Sexual Abuse to the committee. He reiterated the significance of the report to Nottingham City and assured the Committee that there was no sense of complacency around the recommendations set out by the Inquiry. Catherine Underwood, Corporate Directors for People gave a presentation to the Committee updating them on the work around the Action Plan. The following points were highlighted:

- (a) Nottingham City Council continues to work with victims and survivors of sexual abuse ensuring that they are able to access the support and services that they need to. Work has taken place to ensure that there is no wrong "front door" to victims and survivors will be signposted to the right services however they make initial contact with the City Council.
- (b) The Council has been working closely with Health partners and the Clinical Commissioning Groups to ensure that challenges to accessing therapeutic services are recognised and strategies are in place to respond to this;
- (c) The access to records has also continued to be facilitated. NCC recognise that it is a difficult and emotional thing to do and will provide support to survivors accessing their records. A specific post within the Information Compliance team has been created to support and facilitate access to records for survivors. People who have used this resource have reported back that it is helpful
- (d) The Council continues to offer both written and face to face verbal apologies to survivors of sexual abuse. Each survivor is offered a written apology and if they also wish to have a face to face meeting they can do so and will receive a verbal apology. There is also an empathetic approach to handling claims recognising that trauma has incurred. The Council has close links with the County Council and regularly reviews the progress of claims, to ensure there is a coordinated response;
- (e) A needs assessment was undertaken to identify the best way to offer support to survivors. This needs assessment has been used to inform commissioning of services funded by both the City and County Councils and the Police and Crime Commissioners Office. There is strong partnership working in place between a number of organisations;
- (f) A review of current and previous foster carers is underway. The City Council is working with the County Council to progress similar work with Independent Fostering Agencies that we have had children placed with.
- (g) A presentation regarding the findings from the independent external evaluation of the Council's practices around harmful sexual behaviour of other children in care was due to take place at the end of March but had to be delayed due to COVID - 19. The Council is working with NSPCC, who undertook this evaluation, to deliver a virtual conference to share the findings and is a positive next step in ensuring a consistent message is spread;

- (h) The Council will continue to work with survivors to improve services and to ensure a robust response to the issues highlighted by the Inquiry is delivered. The committee can be assured that an action plan is in place to address outstanding issues and that regular monitoring is taking place to assess progress;

During discussion and questions from the Committee members the following information was highlighted:

- (i) It is essential to maintain focus on delivering the actions that Nottingham City Council committed to. The Inquiry is expected to produce a wider report looking at the role of local authorities and the Council will need to respond to any actions that may be necessary in response to that;
- (j) Assurance and Governance is critical to good practice. It is essential that oversight and governance be in place to ensure the work is completed properly and in a timely way. These elements are a crucial part of the system that helps young people to stay safe and require resources;
- (k) There is no current financial work costing of the additional costs that responding to the recommendations made by the inquiry has incurred.;
- (l) There is an ongoing need for lessons learned to be shared, both internally within the Council but also externally to other agencies who deal with young children, e.g. the Police, Health, Education;
- (m) There has been no noticeable impact on the number of people expressing an interest in becoming foster carers. The first Foster Care information event following the publication of the Inquiry's report was the best attended in recent time. There is active involvement with Foster Carers by Council staff, regular meetings and forums take place. The insights from the learning following the Inquiry have fed into the training that all new foster carers receive and into the refresher training that existing carers receive.

After discussion, the Committee agreed that the Chair and the Head of Audit and Risk would investigate the scope of work needed to establish costs associated with the response to IICSA as a result of the recommendations from the Inquiry and that they would report back to the July Committee.

### **Resolved to note the progress made with the IICSA Action Plan**

## **5 Children's Integrated Services Ofsted Focussed Visit and Improvement Programme**

Councillor Cheryl Barnard, Portfolio Holder for Children and Young People introduced the report on Children's Integrated Services Ofsted Focused Visit and Improvement Programme to the Committee. Catherine Underwood, Corporate Director for People gave a presentation outlining the background to the visit and the actions identified. She highlighted the following points:

- (a) In November 2018 a full Ofsted inspection on Nottingham City Council's Children's services concluded that they required Improvement to be good. It noted the need to improve the capacity of the workforce to meet the complexity and demand of the workload;
- (b) A focused visit in February 2020 looking specifically at children in need and focused on those at risk of neglect. Two priority actions were identified
- To address failure in social work practice to ensure that planning and intervention improved children's experiences and that emerging risks are identified and responded to; and
  - Stabilise the workforce and address the shortfall in capacity to ensure social workers can respond effectively to children in need and of help and protection
- (c) The first step in response was to bring in more staff to increase capacity. An action plan was formed to and submitted to Ofsted to address the identified priority actions. The Council has also spent time working with other Councils in the East Midlands, and the Department for Education to formulate a Children's Services Improvement plan;
- (d) Nottingham City Council has been working with Essex County Council as part of the Partners in Practice scheme, supported by the Department for Education, to address the issues raised by Ofsted and to ensure that Children are at the heart of the journey;
- (e) To drive and support the Improvement Programme the Council has established the Children at the Heart Improvement board which is chaired by the Interim Chief Executive, with Councillors, senior officers and partners. The ambition is to achieve good quality children's services.
- (f) The first priority for the Council is to stabilise the workforce. Pay and development opportunities have been revised to ensure that the Nottingham City Council offer is competitive and that the city has an attractive offer for candidates. The offer is not just about salary it also incorporates opportunity for further development;
- (g) At present there are a number of agency staff filling gaps within teams to increase the capacity. It is recognised that agency staff is not the best way to create stability but they increase capacity whilst substantive recruitment takes place. It is hoped that agency staff will see the exciting opportunities that Nottingham City Council can offer and will choose to become Council employees;
- (h) Additional management have been recruited to offer better oversight of work. With the programme leads there has been a relaunch of the practice model and standards across all social work teams and a particular focus on development and launch of a Neglect Practice Guidance and Toolkit. All practitioners will be receiving this training throughout June and July to ensure a strong understanding of the model of practice;

- (i) A refresh of the audit system has also been put into place, initially to ensure that work can continue to be monitored during the current pandemic and now to ensure good practice and continuous improvement;
- (j) The delivery plan is well underway with strong engagement from practitioners. Ofsted is expected to visit again in the Autumn to assess progress. Underpinning good services is sustainability of social care. There are significant consequences for services with reduced capacity as has been noted by Ofsted in their last two visits.

Following questions and comments from the members of the Committee the following additional information was highlighted:

- (k) The issue of pay has been a factor affecting stability in recent years. The Council has recruited newly qualified Social workers, trained and developed them and then they have moved on to other authorities offering better packages. Pay packages have been improved in Nottingham and are now competitive. Retention rates are improving although there is still a way to go;
- (l) There are currently more agency staff in position that would be optimal for the service. However they provide a capacity whilst substantive recruitment take place. A piece of work is taking place to ensure that Nottingham is a place where social care can thrive and that opportunities for professional development are strong;
- (m) Supporting social care colleagues in their practice is vital. Access to IT systems has been improved to a degree but more is needed and business support staff have been brought in to teams to help reduce admin time for Social Workers allowing them time to practice;
- (n) Workforce stabilisation is a national issue. There is competition across the country for social work staff. The Grow Our Own scheme has been running for a number of years now and is having an positive impact;
- (o) The Improvement Programme does need investment. There has been £1.4million invested so far. The aim is to reduce costs associated with agency staff as substantive recruitment takes place. All work of the improvement plan is being carried out with value for money in consideration;
- (p) Case File audits continue to take place and our audit framework is being further developed. Learning from Children services is being linked to the Adult Social Service's teams where applicable;
- (q) Prior to Lockdown the Portfolio Holder for Children and young people had been visiting the teams and talking to staff in terms of their concerns and issues. An anonymous staff questionnaire had been circulated which highlighted that IT access was an issue. The Lockdown has helped to expedite some IT access;
- (r) The issues of finding fostering and residential placements for children and young people is also a national issue. The LGA is reporting a rise demand for

services since lockdown began in March with changes to guidance meaning that 18 year olds remain in care, the adoption process has slowed down and following the relaxation of lockdown demand will increase again due to hidden harm becoming visible and the additional deprivation anticipated due to job losses across so many sectors;

- (s) It is possible for urban areas to have good quality services despite the issues they face with deprivation and poverty and this is Nottingham's ambition. Leeds City Council have Children's Services rated good;
- (t) Training was initially focused on the field work teams and is now being rolled out to all teams. Training is given as a team to ensure that practitioners are comfortable asking questions and understand the model as a team as well as, as individuals. All teams will have completed the training by the first week in August;

**Resolved to:**

**(1) Note the outcome of the Focused Visit; and**

**(2) Note and support the actions being undertaken to address the two priority actions, including the establishment of a Children's Services Improvement Board, commitment to an improvement fund and the contribution of the wider Council**

## **6 Audit Committee Terms of Reference and Annual Work Programme**

Shail Shah, Head of Audit and Risk, presented the Audit Committee Terms of Reference and Annual Work Programme to the committee for endorsement. He outlined that the terms of reference are based on CIPFA good practice and the work programme meets the remit of the Committee and offers assurances. He advised the committee that the work programme is a live document and is being regularly updated as additional items are added and priorities change.

During discussion the following points were highlighted:

- (a) The Terms of Reference (TOR) do not outline the role of the individual member of the Audit committee. This appears to be a gap in the TOR's across the country. A piece of work will take place to look at CIPFA best practice and discuss with Legal services and will return to a future meeting;
- (b) Training will be provided to members of the committee outside the formal meetings where necessary;
- (c) The role of Audit Committee and how it fits with Overview and Scrutiny was queried. This will be addressed in the update to a future meeting;
- (d) The TOR refer to an independent member, this will be taken into consideration by the chair and discussed outside of the meeting with Legal Services and Leadership;

Following discussion the Chair confirmed the follow issues would be discussed with officers and Leadership outside of the meeting and brought back to a future Audit committee.

- Role of individual members of the Audit Committee
- Relationship between Scrutiny and Audit committee
- Independent member of Audit Committee

**Resolved to**

**(1) Note the role and function of the audit committee, which comply with best practice in 2018 revision of the CIPFA guidance on Audit Committees, including the additional elements prescribed by the Public Sector Internal Audit Standards (PSIAS)**

**(2) Endorse the outline work programme**

**7 External Audit Plan Update**

John Gregory, External Auditor, introduced the update to the External Audit Plan originally brought to this Committee in February 2020. Since this meeting there has been a global pandemic which has affected time scales for the 2019/20 Audit. It has also added a significant risk to all Councils, Nottingham City included. He highlighted that these circumstances have had a logistical implication on delivering the Audit, in areas of the accounts and in the Value for Money work of the accounts. Further points highlighted through discussions were:

- (a) As a result of the Pandemic the accounts do not have to be produced until later in the year, meaning that the Audit deadline of the accounts has shifted to the end of November. The Audit is likely to mainly take place remotely, however some elements do have to take place on site;
- (b) In terms of the accounts themselves the valuation of assets, land, buildings etc will have been impacted by the pandemic. Nottingham City Council has a significant portfolio of Investment properties and so these will be impacted as a result;
- (c) The impact of the COVID pandemic will also impact the trading companies owned by the Council which will in turn impact on the Council's finances, and the risk around financial stability of these companies had been identified before the pandemic. This has heightened the level of risk and so has increased the work of the Audit.
- (d) Nottingham is carrying more risk than some other Council's already due to the investment portfolio and the wholly owned companies. All councils around the country are impacted some more than others, with some councils being in a worse position than Nottingham. With the additional pressure of Children's services and the Improvement programme in that area it was a difficult situation before the pandemic then compounded the situation
- (e) An in year budget process it taking place and a revised Medium Term Financial Plan is being produced. The financial situation is challenging at this time and it is

hoped that additional Government funding will help to mitigate the cost of the response to COVID-19;

**Resolved to note the update to the External Audit Plan.**

## **8 Dates of Future Meetings**

**Resolved to meet on the following Fridays at 10am:**

**31 July 2020**

**25 September 2020**

**27 November 2020**

**26 February 2021**

**30 April 2021**

## **9 Exclusion of the Public**

The Committee decided to exclude the public from the meeting during consideration of the remaining agenda item(s) in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph(s) 3 of Part 1 of Schedule 12A to the Act.

## **10 Exempt Minutes**

Councillors Steve Battlemuch, Lauren O'Grady and Audra Wynter declared and Other Interest in this item because they are Directors of Robin Hood Energy. They left the meeting prior to discussion on this item.

Following a vote, the Committee agreed to appoint Councillor Jane Lakey as Chair for the remainder of the meeting because both Councillor Steve Battlemuch (Chair) and Councillor Audra Wynter( Vice-Chair) had left the meeting.

The Committee confirmed the exempt minutes of the meeting held on 28 February 2020 as a correct record and they were signed by the Chair

## **11 External Audit Plan update - Exempt appendix**

The Committee noted the contents of the exempt appendix.