



Audit and Procurement Committee

Time and Date

3.00 pm on Monday, 22nd January, 2018

Place

Council House

Public Business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting** (Pages 3 - 8)
To agree the minutes of the meeting held on 18th December 2017
4. **Exclusion of Press and Public**
To consider whether to exclude the press and public for the item(s) of business for the reasons shown in the report.
5. **Outstanding Issues** (Pages 9 - 14)
Report of the Deputy Chief Executive (Place)
6. **Work Programme 2017/18** (Pages 15 - 16)
Report of the Deputy Chief Executive (Place)
7. **Half Yearly Fraud Update 2017- 2018** (Pages 17 - 24)
Report of the Deputy Chief Executive (Place)
8. **Complaints to the Local Government and Social Care Ombudsman 2016/17** (Pages 25 - 44)
Report of the Deputy Chief Executive (People)
9. **Contract Management Progress Report** (Pages 45 - 50)
Report of the Deputy Chief Executive (People)
10. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Private business

11. **Procurement and Commissioning Progress Report** (Pages 51 - 58)

Report of the Deputy Chief Executive (People)

(Listing Officer: M Burn, tel: 024 7683 3757)

12. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Martin Yardley, Deputy Chief Executive (Place), Council House Coventry

Friday, 12 January 2018

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Michelle Salmon, Governance Services, Tel: 024 7683 3237 / 3065, Email: lara.knight@coventry.gov.uk / michelle.salmon@coventry.gov.uk

Membership: Councillors S Bains (Chair), R Brown, L Harvard (Deputy Chair), T Sawdon, R Singh, H Sweet and K Taylor

Please note: a hearing loop is available in the committee rooms

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language please contact us.

Lara Knight / Michelle Salmon

Governance Services

Telephone: (024) 7683 3237 / (024) 7683 3065

E-mail: lara.knight@coventry.gov.uk / michelle.salmon@coventry.gov.uk

Public Document Pack Agenda Item 3

Coventry City Council

Minutes of the Meeting of the Audit and Procurement Committee held at 3.00 pm on Monday, 18 December 2017

Present:

Members: Councillor S Bains (Chair)
Councillor R Brown
Councillor L Harvard
Councillor T Sawdon
Councillor R Singh
Councillor K Taylor

Employees (by Directorate):

People M Burn

Place P Jennings, D Johnston, M Salmon, K Tyler

Apologies: Councillor H Sweet

Public Business

53. Declarations of Interest

There were no disclosable pecuniary interests.

54. Minutes of Previous Meeting

The minutes of the meeting held on 13th November 2017 were agreed and signed as a true record.

55. Exclusion of Press and Public

RESOLVED to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 relating to the private report referred to in Minute 56 below headed 'Procurement and Commissioning Progress Report' on the grounds that the report involves the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act, as it contains information relating to the financial and business affairs of a particular person (including the authority holding that information) and that, in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

56. Outstanding Issues

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place) that identified issues on which a further report / information had been requested or was outstanding so that Members were aware of them and could manage their progress.

Appendix 1 to the report provided details of an issue where a report back had been requested to a future meeting, along with the anticipated date for further consideration of the matter. Appendix 2 provided details of items where additional information had been requested outside of the formal meeting along with the date when this had been completed.

RESOLVED that the Audit and Procurement Committee notes the outstanding issues report.

57. Work Programme 2017/18

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place), which set out the Work Programme of scheduled issues for consideration by the Committee for the year 2017/2018.

RESOLVED that the Audit and Procurement Committee:

- 1) Notes the Work Programme for 2017/2018.**
- 2) Council Staff Mandatory Training Internal Audit 2018/2019 - Findings' to be added to the Work Programme for a Future Meeting of the Committee.**

58. 2017/18 Second Quarter Financial Monitoring Report (to September 2017)

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place), that had been considered at the meeting of Cabinet on 28th November 2017 (their minute 75/17 referred), that set out the forecast outturn position for revenue and capital expenditure and of the Council's treasury management activity as at the end of September 2017.

The headline revenue forecast for 2017/18 was an overspend of £3.1m. This had improved since the Quarter 1 position when it stood at £4.6m whilst at the same point in 2016/2017 there was a projected overspend of £7.1m. Notwithstanding the relative improvement since Quarter 1 and the equivalent position last year, the reasons for the overspend represented some concerning trends for the Council. At a time of continued tightening of local authority resources the current position still represented one that demanded a strong focus on addressing the underlying issues.

This position continued to reflect areas for which overspends had been reported previously but it also incorporated the emergence of new budgetary issues. The main areas of financial pressures resulted from a shortfall in delivering savings targets set in previous budgets in some areas and some local externally driven demand pressures, in particular, in relation to looked after children and an increase in homelessness. Where relevant, these pressures had been incorporated within the 2018/2019 Pre-Budget Report (Minute 77/17 of the Cabinet referred) although the expectation was that some of these pressures may increase substantially in 2018/2019 compared with the current year.

The Council's Capital spending was projected to be £119.9m for the year, a net decrease of £9.1m on the position reported at Quarter 1.

The Committee sought clarification of a number of issues from officers and discussed the report at length. They acknowledged that Childrens Services, homelessness and Adult Social Care were the main areas of expenditure and that this was a national issue. They further acknowledged that the movement in the Capital budget included a £3m Revenue Contribution to fund Capital Schemes. In respect of the Government Policy requirement for local authorities to support the Unaccompanied Asylum Seeking Children National Transfer Scheme, the Committee outlined their concerns relating to the costs associated with the Scheme following a change to the court process and requested that details of the grant funding provided and the costs to the City Council be circulated to Members.

RESOLVED that the Audit and Procurement Committee notes the 2017/2018 Second Quarter Financial Monitoring Report (to September 2017) and agreed that there are no comments to be passed onto Cabinet.

59. **Corporate Risk Register Update**

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place) that set out, in accordance with the Council's Risk Management Strategy, the current Corporate Risk Register that provided the Audit and Procurement Committee with an overview of the Council's corporate risk profile and the controls in place to address these risks.

The report indicated that Local Government was currently operating within an environment of substantial budget cuts and major policy changes with significant impact on service delivery and organisational structures. The pace and scale of change required the Council to constantly assess its risk profile and implement suitable controls to manage those risks.

The Committee noted that the report covered only those risks that were viewed as the most critical for the Council and were considered at the corporate level. Risk management activity continued at other levels throughout the Council dealing with risks of a lower rating.

The Corporate Risks, listed in Appendix 1 to the report together with details of the control measures put in place to address them, fell into two separate categories:

- Operational/ Business as Usual – those risks that could affect the underlying and fundamental operations and structure of the Council
- Specific/Project – those risks that could affect specific projects or the major change initiatives to how we operate

The Committee further noted that there had been some changes to the Risk Register from previous reports as follows:

- Risks removed:
CR 008 – Ofsted Improvement Notice
CR 009 – Coventry fails to provide a high quality education for its children
CR 012 – Provision of SEN Transport

- Risks added:
CR 016 – Failure to comply with Health and Safety Legislation
CR 017 – City Centre South

The Committee:

- Noted that following the completion of the move to Friargate, Kickstart would be removed from the next update of the Risk Register
- Were informed that in respect of Sky Blue Sports and Leisure Ltd, a compensation request was anticipated, however it was unknown when or from whom this would be sought and therefore it was a significant risk to the Authority.
- Recognising the economic uplift that the City of Culture 2021 would bring to the City, indicated that they would expect the City Centre South Scheme and the City of Culture 2021 to be evaluated and considered to ensure they worked together, minimising disruption and maximising outcomes.
- Noted that the Authority worked hard to protect the organisation's data and from cyber-attacks. Any breach would result in a fine from the Information Commissioner's Office and reputational damage was not calculable.
- Expressed their concerns relating to the completion of staff mandatory training and requested that an Internal Audit Review be undertaken in 2018/2019, the results of which to be submitted to a future meeting of the Committee and added to the Work Programme.

RESOLVED that the Audit and Procurement Committee:

- 1) **Notes the current Corporate Risk Register, indicating that they have satisfied themselves that Corporate Risks are being identified and managed.**
- 2) **Agreed that there were no areas where they require additional information.**
- 3) **A Council Staff Mandatory Training Internal Audit to be undertaken in 2018/2019 with the findings of the Review reported to a future meeting of the Committee and added to the Work Programme.**

60. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

61. **Procurement and Commissioning Progress Report**

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (People) that provided an update on the procurement and commissioning undertaken by the Council since the last report submitted to the meeting on 13th November 2017 (minute 51/17 referred). Details of the latest positions in relation to individual matters were set out in an Appendix to the report.

The Committee requested that a breakdown of the costs of Window Cleaning Services for Council Buildings be circulated to Members of the Committee.

RESOLVED that the Audit and Procurement Committee:

- 1) Notes the current position in relation to the Commissioning and Procurement Services.**
 - 2) Agrees that there are no recommendations to be made to either the Cabinet Member for Strategic Finance and Resources, Cabinet or Council on any of the matters reported.**
- 62. Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 4.15 pm)

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Audit and Procurement Committee

22nd January 2018

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director approving submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

N/A

Title:

Outstanding Issues

Is this a key decision?

No

Executive summary:

This report is to identify those issues on which further reports / information has been requested or are outstanding so that Members are aware of them and can monitor their progress.

Recommendations:

The Committee is recommended to:-

1. Consider the list of outstanding items as set out in the Appendices, and to ask the Deputy Chief Executive concerned to explain the current position on those items which should have been discharged.
2. Agree that those items identified as completed within the Appendices be confirmed as discharged and removed from the outstanding issues list.

List of Appendices included:

Appendix 1 - Further Report Requested to Future Meeting
Appendix 2 - Additional Information Requested Outside of Meeting

Other useful background papers:

None

Has it or will it be considered by scrutiny?

N/A

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

**Report title:
Outstanding Issues**

1. Context (or background)

- 1.1 In May 2004, the City Council adopted an Outstanding Minutes system, linked to the Forward Plan, to ensure that follow-up reports can be monitored and reported to Members.
- 1.2 At their meeting on 25th January 2017, the Audit and Procurement Committee requested that, in addition to further reports being incorporated into the Committee's Work Programme, that a report be submitted to each meeting detailing those additional reports requested to a future meeting along with details of additional information requested outside of the formal meeting.
- 1.3 Appendix 1 to the report outlines items where a report back has been requested to a future Committee meeting, along with the anticipated date for further consideration of the issue.
- 1.4 In addition, Appendix 2 sets out items where additional information was requested outside of the formal meeting along with the date when this was completed.
- 1.5 Where a request has been made to delay the consideration of the report back, the proposed revised date is identified, along with the reason for the request.

2. Options considered and recommended proposal

- 2.1 N/A

3. Results of consultation undertaken

- 3.1 N/A

4. Timetable for implementing this decision

- 4.1 N/A

5. Comments from Executive Director of Resources

- 5.1 Financial implications

N/A

- 5.2 Legal implications

N/A

6. Other implications

- 6.1 How will this contribute to achievement of the Council's Plan?**

N/A

- 6.2 How is risk being managed?**

This report will be considered and monitored at each meeting of the Cabinet

6.3 What is the impact on the organisation?

N/A

6.4 Equalities / EIA

N/A

6.5 Implications for (or impact on) the environment

N/A

6.6 Implications for partner organisations?

N/A

Report author(s):

Name and job title:

Lara Knight
Governance Services Co-ordinator

Directorate:

Place

Tel and email contact:

E-mail: Lara.knight@coventry.gov.uk
Tel: 024 7683 3237

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Names of approvers: (officers and Members)				

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Appendix 1

Further Report Requested to Future Meeting

	Subject	Minute Reference and Date Originally Considered	Date For Further Consideration	Responsible Officer	Proposed Amendment To Date For Consideration	Reason For Request To Delay Submission Of Report
1.	Information Management Strategy Update Report back of the outcome of the follow up audit by the Information Commissioner	36/16 24 th October 2016	February 2018	Helen Lynch / Joe Sansom		

* identifies items where a report is on the agenda for your meeting.

Appendix 2

Additional Information Requested Outside of Meeting

	Subject	Minute Reference and Date Originally Considered	Information Requested / Action Required	Responsible Officer	Date Completed
1.	Internal Audit Annual Report 2016/17	Minute 6/17 26 th June 2017	That information be forwarded to the Committee in relation to the checks and balances undertaken regarding maintenance of vehicles and fuel consumption.	Karen Tyler	16 th October 2017
2.	Procurement and Commissioning Progress Report	Minute 12/17 26 th June 2017	The Committee requested information on timescales for the City's 50m swimming pool.	Mick Burn	
3.	Information Governance Annual Report 2016/17	Minute 23/17 24 th July 2017	The Committee requested that arrangements be made for annual mandatory training on Data Protection for all members.	Sharon Lock	
4.	2017/18 Second Quarter Financial Monitoring Report (to September 2017)	Minute 58/17 18 th December 2017	Details of the Grant Funding provided and the costs to the City Council in supporting the Unaccompanied Asylum Seeking Children National Transfer Scheme to be circulated to Members of the Committee	Paul Jennings	
5.	Procurement and Commissioning Progress Report	Minute 61/17 18 th December 2017	A breakdown of the costs of Window Cleaning Services for Council Buildings to be circulated to Members of the Committee	Mick Burn	

Audit and Procurement Committee

Work Programme 2017-18

26th June 2017

Revenue and Capital Out-turn 2016-17
Draft Statement of Accounts 2016-17
Annual Governance Statement 2016-17
Internal Audit Annual Report 2016-17
Internal Audit Plan 2017-18
Procurement Progress Report (Private)

24th July 2017

Audit Findings Report 2016-17 (Grant Thornton)
Statement of Accounts 2016-17
Audit Committee Annual Report 2016-17
Information Governance Annual Report 2016/17
Procurement Progress Report (Private)

11th September 2017

Audit Findings Report 2016-17 (Grant Thornton)
Statement of Accounts 2016-17
Quarter One Revenue and Corporate Capital Monitoring Report 2017-18
Fraud Annual Report 2016-17
Procurement Progress Report (Private)

13th November 2017

Annual Audit Letter 2016-17 (Grant Thornton)
Half Year Internal Audit Progress Report 2017-18
Payment Audit
Treasury Management Update
Procurement Progress Report (Private)

18th December 2017

Quarter Two Revenue and Corporate Capital Monitoring Report 2017-18
Corporate Risk Register Update
Procurement Progress Report (Private)

22nd January 2018

Half Yearly Fraud Update 2017-18
Ombudsman Complaints Annual Report 2016-17
Whistleblowing Policy Annual Report 2016/17
Contract Management Review

19th February 2018

Grant Certification Report (Grant Thornton)
Quarter Three Revenue and Corporate Capital Monitoring Report 2017-19
Quarter Three Internal Audit Progress Report 2017-18
Information Management Strategy Update including result of follow up audit by ICO
RIPA (Regulation of Investigatory Powers Act) Annual Report 2016-17
Procurement Progress Report (Private)

26th March 2018

Annual Audit Plan (Grant Thornton)
Internal Audit Recommendation Tracking Report
Internal Audit Plan 2018-19
Procurement Progress Report (Private)
Code of Corporate Governance (Adrian West)

Dates to be confirmed



Coventry City Council

Public report

Report to

Audit and Procurement Committee

22nd January 2018

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director approving submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

City Wide

Title:

Half Yearly Fraud Report 2017-18

Is this a key decision?

No

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with a summary of the Council's anti-fraud activity during the financial year 2017-18 to date.

Recommendation:

The Audit and Procurement Committee is recommended to note and consider the anti- fraud activity undertaken during the first half of the financial year 2017-18.

List of Appendices included:

None

Background papers:

None

Other useful documents:

None

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee.

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title:

Half Yearly Fraud Report 2017-18

1. Context (or background)

- 1.1 Fraud in the public sector has a national focus through the publication of "Fighting Fraud and Corruption Locally – The Local Government Counter Fraud and Corruption Strategy". Whilst the national strategy states that the level of fraud in the public sector is significant, the current trends in fraud activity includes areas which Coventry City Council does not have responsibility for, for example, social housing, and the levels of identified / reported fraud against the Council are at relatively low levels, in terms of both numbers and value.
- 1.2 This report documents the Council's response to fraud during the first half of the financial year 2017-18, and is presented to the Audit and Procurement Committee in order to discharge its responsibility, as reflected in its terms of reference *'to monitor Council policies on whistle blowing and the fraud and corruption strategy'*.

2 Options considered and recommended proposal

- 2.1 The Internal Audit Service is responsible for leading on the Council's response to the risk of fraud. The work of the team has focused on three main areas during 2017-18, namely:

- Council Tax
- National Fraud Initiative
- Referrals and Investigations considered through the Council's Fraud and Corruption Strategy

A summary of the key activity that has taken place during 2017-18 to date is detailed below.

- 2.2 Council Tax – Work undertaken in this area has focused on the following:

- Reviewing Council Tax Exemptions / Discounts – A rolling programme of reviews is undertaken on an annual basis to provide an appropriate response to the inherent risk of fraud / error in this area, as the Council is largely reliant on the customer to report any changes in circumstances which would affect their entitlement to an exemption / discount. Work to date in 2017-18 has resulted in:
 - 80 exemptions have been removed from customers' accounts. These exemptions were removed on the basis that the customer failed to report a change in circumstances. As such, they have been treated as an error, rather than a fraudulent application to obtain an exemption they were not entitled to.
 - Revised bills have been issued amounting to approximately £94,000
 - £30,000 of this money has been paid to the Council to date. The outstanding balances are being recovered through agreed payment instalment arrangements or are subject to the Council's standard recovery arrangements in relation to Council Tax.

In 2017-18 the focus of the Team's work has been on following up matches arising from the National Fraud Initiative (see 2.3 below). Consequently, this has had some impact on the

volume of the exemption / discount reviews completed this year, but as a rolling programme of work, this is not viewed as a significant issue.

- Council Tax Referrals – The Council receives referrals from both internal and external sources linked to concerns around the payment of council tax support or council tax discounts / exemptions. Table one below indicates the number of referrals received by source during the first half of the financial year 2017-18.

Table One – Council Tax Fraud Referrals Received April to September 2017

Source	Referrals 2017-18 to date
C/F from 16/17	1
Housing Benefits	6
Council Tax	-
Members of the public	5
Other	3
Total	15

Whilst the vast majority of cases are passed to the Department of Work and Pensions to investigate under agreed arrangements (i.e where housing benefit is also in payment), we have validated three concerns to date in 2017-18 linked to the payment of council tax. This has resulted in revised bills / overpayments of around £16,500 being issued, of which £9000 has been paid to date.

2.3 National Fraud Initiative (NFI) – The NFI exercise is led by the Cabinet Office. The exercise takes place every two years and matches electronic data within and between public bodies, with the aim of detecting fraud and error. The results of the last exercise were released in January 2017, and identified approximately 3000 high quality matches for the Council to consider. A summary of the work undertaken to date on these matches is detailed below:

- Around 600 matches have been reviewed and processed. Given the high number of matches, priority has been given to known problem areas and key matches as judged by the Cabinet Office.
- Table two below highlights a breakdown of those areas where errors / overpayments have been identified:

Table three – Breakdown of National Fraud Initiative results

Match type	Number of errors / discrepancies	Issue	Overpayments / other action
Housing benefit claimants to student loans	2	Housing benefit claimants who had failed to declare their student loan.	£6,950 (as reported by the DWP)
Council tax support to council tax support	1	A customer in receipt of council tax support moved out of the area and failed to notify the Council.	£10,065

Match type	Number of errors / discrepancies	Issue	Overpayments / other action
Council tax support to DWP deceased	1	The Council had continued to pay Council Tax support after the customer had died.	£2,337
Residents Parking Permits to deceased	79	A residents parking permit has been issued to an individual who has subsequently deceased.	A note has been made on the customer's record that they are deceased so the permit cannot be renewed.

- Council tax single person discounts – Whilst the NFI exercise takes place every two years, council tax matches relating to the award of single person discounts are received on an annual basis as they are matched to the new electoral register which is published each December. In 2017-18, our work has focused on those matches relating to council tax bands E and above. In total, 113 matches were reviewed and as a result six single person discounts were cancelled. This has resulted in revised bills / overpayments of around £7100.

Processes are in place to recover the overpayments identified. Other action which may be taken is determined on a case by case basis. Work on the NFI matches remains on-going and a further update on this exercise will be included in future reports to the Audit and Procurement Committee.

- 2.4 Referrals and Investigations – From time to time, the Internal Audit Team receive referrals or are asked to assist with investigations relating to employee misconduct and other fraud against the Council involving external individuals. Table three below indicates the number of referrals by source in 2017-18, along with figures for the previous three financial years.

Table Three - Fraud Referrals Received between 2014-15 and 2017-18

Source	Referrals 2014-15	Referrals 2015-16	Referrals 2016-17	Referrals 2017-18 to date
Whistle blower	12	5	5	2
Manager	13	14	15	10
Complaint / External	1	2	1	1
Total	26	21	21	13

We need to be clear that we have no mechanism for determining the number of referrals the Council should receive on an annual basis and it is very difficult to anticipate or identify the reasons behind fluctuations in numbers. However, as previously reported to the Committee, the decreasing number of referrals received via the Whistleblowing policy potentially indicates a requirement to refresh employees' awareness in relation to this process. As such, an approach to this is currently being developed with colleagues from across the Council as part of a wider piece of work around helping employees to raise concerns, both through the Whistleblowing policy and other mechanisms.

- 2.4.1 Of the 13 referrals received, two have led to full investigations. There are various reasons for referrals not leading to an investigation including, for example where it is a "one off"

situation and there is no information available to indicate who was involved or where our initial fact finding review does not substantiate the concern raised.

2.4.2 In addition to the two investigations highlighted in 2.4.1 above, a further three investigations were carried forward from 2016-17. Of the five investigations, four related to fraud / theft and one related to Code of Conduct issues.

Two out of the five investigations are still on- going, whilst of the remaining three:

- In one case, the officers involved received final / verbal warnings.
- In one case, the officer left their post during the disciplinary process.
- In one case linked to the award of a Council Tax single person discount, the discount was removed and a revised bill issued amounting to £4,800 (this amount is included in the council tax single person discount figure detailed in paragraph 2.3).

2.5 Proactive work – The Council's response to fraud also includes an element of proactive work. Due to the focus on the National Fraud Initiative in 2017-18, our ability to undertake this work is limited this financial year, although it is planned that proactive work will be prioritised in 2018-19.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a monitoring report.

5. Comments from the Director of Finance and Corporate Services

5.1 Financial Implications

All fraud has a detrimental financial impact on the Council. In cases where fraud is identified, recovery action is taken to minimise the impact that such instances cause. This also includes action, where appropriate, to make improvements to the financial administration arrangements within the Council as a result of frauds identified.

5.2 Legal implications

The Council has a duty under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs. To effectively discharge this duty, these arrangements include Council policies and procedures which protect the public purse through managing the risk of fraud and error.

All cases are conducted in line with the Data Protection Act 1998 and if appropriate are referred to the Police for investigation.

6. Other implications

6.1 How will this contribute to achievement of the council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The scope and content of this report is not directly linked to the achievement of key Council objectives, although it is acknowledged that fraud can have a detrimental financial impact on the Council.

6.2 How is risk being managed?

The risk of fraud is being managed in a number of ways including:

- Through the Internal Audit Service's work on fraud which is monitored by the Audit and Procurement Committee.
- Through agreed management action taken in response to fraud investigations and / or proactive reviews.

6.3 What is the impact on the organisation?

Human Resources Implications

Allegations of fraud made against employees are dealt with through the Council's formal disciplinary procedure. The Internal Audit Service are fully involved in the collation of evidence and undertake, or contribute to, the disciplinary investigation supported by a Human Resources representative. Matters of fraud can be referred to the police concurrent with, or consecutively to, a Council disciplinary investigation.

6.4 Equalities / EIA

Section 149 of the Equality Act 2010 imposes a legal duty on the Council to have due regard to three specified matters in the exercise of their functions:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The "protected characteristics" covered by section 149 are race, gender, disability, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment. The duty to have due regard to the need to eliminate discrimination also covers marriage and civil partnership.

The Council acting in its role as Prosecutor must be fair, independent and objective. Views about the ethnic or national origin, gender, disability, age, religion or belief, political views, sexual orientation, or gender identity of the suspect, victim or any witness must not influence the Council's decisions.

6.5 Implications for (or impact on) the environment

No impact

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title:

Karen Tyler – Acting Chief Internal Auditor

Directorate:

Place

Tel and email contact:

024 7683 4035 – Karen.tyler@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Place	21/12/2017	21/12/2017
Paul Jennings	Finance Manager Corporate Finance	Place	14/12/2017	14/12/2017
Names of approvers: (officers and members)				
Barry Hastie	Director of Finance and Corporate Services	Place	14/12/2017	22/12/2017
Adrian West	Members & Elections Team Manager	Place	14/12/2017	21/12/2017

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Cabinet Member for Policy and Leadership
Audit and Procurement Committee

8 November 2017
22 January 2018

Name of Cabinet Member:

Cabinet Member for Policy and Leadership – Councillor Duggins

Director approving submission of the report:

Deputy Chief Executive (People)

Ward(s) affected:

All

Title:

Complaints to the Local Government and Social Care Ombudsman 2016/17

Is this a key decision?

No

Executive summary:

The Local Government and Social Care Ombudsman (LGO) is the final stage for complaints about councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It is a free service that investigate complaints in a fair and independent way; and provides a means of redress to individuals for injustice caused by unfair treatment or service failure.

Coventry City Council's complaints policy sets out how individuals can complain to the Council, as well as how the Council handle compliments, comments and complaints. The Council informs individuals of their rights to contact the LGO if they are not happy with the Council's decision after they have exhausted the Council's own complaints process.

Every year, the LGO issues an annual letter to every Council, summarising the number and trends of complaints dealt with in each local authority. The latest letter, issued July 2017 covers complaints to Coventry City Council between April 2016 and March 2017 (2016/17).

This report sets out the number, trends and outcomes of complaints to the LGO relating to Coventry City Council in 2016/17, and a comparison to previous years.

Recommendations:

The Cabinet Member is recommended to:

1. Consider the Council's performance in relation to complaints to the LGO.

2. Note the Council complaints process and guidance, updated for 2017 in line with recommendations set out in the annual letter.
3. Request the Audit and Procurement Committee to review and be assured that the Council takes appropriate action in response to complaints investigated and where the Council is found to be at fault.

The Audit and Procurement Committee is recommended to:

1. Consider the Council's performance in relation to complaints to the LGO.
2. Note the Council complaints process and guidance, updated for 2017 in line with recommendations set out in the annual letter.
3. Review and be assured that the Council takes appropriate actions in response to complaints investigated and where the Council is found to be at fault.

List of appendices included:

Appendix I – Coventry City Council Local Government and Social Care Ombudsman Complaints Handling Guidance

Appendix II – Local Government and Social Care Ombudsman Investigation Decisions in 2016/17 for Coventry City Council

Background papers:

None

Other useful documents

Local Government and Social Care Ombudsman Annual Review letter 2017 for Coventry City Council

<http://www.lgo.org.uk/documents/councilperformance/2017/coventry%20city%20council.pdf>

Local Government and Social Care Ombudsman complaint reviews – Complaints received and decisions made 2016/17 data sheets <http://www.lgo.org.uk/information-centre/reports/annual-review-reports/local-government-complaint-reviews> and <http://www.lgo.org.uk/information-centre/news/2017/aug/ombudsman-releases-complaints-statistics-for-all-local-authorities>

Report to Cabinet Member Strategic Finance and Resources 15 December 2016 – Complaints to the Local Government Ombudsman 2015/16

<http://democraticservices.coventry.gov.uk/ieListDocuments.aspx?CIId=208&MIId=11055&Ver=4>

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

Yes – Audit and Procurement Committee on 22 January 2018

Will this report go to Council?

No

Report title:

Complaints to the Local Government and Social Care Ombudsman 2016/17

1 Context (or background)

- 1.1 The Local Government and Social Care Ombudsman (LGO) is the final stage for complaints about councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It is a free service that investigate complaints in a fair and independent way; and provides a means of redress to individuals for injustice caused by unfair treatment or service failure
- 1.2 Coventry City Council's complaints policy, published on the Council's website at www.coventry.gov.uk/complaints/, sets out how individuals can complain to the Council, as well as how the Council handle compliments, comments and complaints. The Council informs individuals of their rights to contact the LGO if they are not happy with the Council's decision after they have exhausted the Council's own complaints process.
- 1.3 Every year, the LGO issues an annual letter to every council, summarising the number and trends of complaints dealt with in each local authority. The latest letter, issued July 2017 covers complaints to Coventry City Council between April 2016 and March 2017 (2016/17).
- 1.4 This report to Cabinet Member Policy and Leadership and the Audit and Procurement Committee sets out the number, trends and outcomes of complaints to the LGO relating to Coventry City Council in 2016/17, and a comparison to previous years. It also provides more detail about complaints that the LGO investigated, including the actions taken by the Council when the LGO upholds a complaint.
- 1.5 The Council also produces formal reports on complaints about adult social care and children's social care, to Cabinet Member Adult Services and Cabinet Member Children and Young People respectively.

2 Options considered and recommended proposal

- 2.1 Nationally, the LGO received 16,863 complaints and enquiries in 2016/17, the greatest proportion were about education and children's services (2,983), followed by adult social care (2,555), and planning and development (2,336).
- 2.2 Locally, the LGO recorded 105 complaints and enquiries in 2016/17 relating to Coventry City Council. This is similar to the number recorded in 2015/16 (109 complaints). The following sets out complaints and enquiries received by the LGO about Coventry City Council in 2016/17 by category (as defined by the LGO) and shows if the number received has increased (↑) or reduced (↓) between 2015/16 and 2016/17:

Complaints by category

Category	Complaints	Trend
Adult care services	13	↑
Benefits and tax	11	↓
Corporate & other services	10	↓
Education & children's services	17	↓
Environment services, public protection & regulation	17	↓
Highways & transport	16	↓
Housing	14	↑
Planning & development	7	↑
Total	105	↓

- 2.3 It is not possible to comment on the Council's performance based purely upon the number of complaints or enquiries to the LGO. On one hand, a high number of complaints may indicate that a council has been effective at signposting people to the LGO through their complaints handling process. On the other hand, a high number of complaints may also highlight that a council needs to do more to resolve issues through its own complaints process.
- 2.4 When dealing with an enquiry, the LGO can choose to investigate cases where it sees merit in doing so. Following an investigation, the LGO can decide if a complaint is: **upheld** – where a council has been at fault and this fault may or may not have caused an injustice to the complainant; or where a council has accepted it needs to remedy the complaint before the Council makes a finding on fault; or **not upheld** – where, following investigation, the LGO decides that a council has not acted with fault.
- 2.5 Of the 105 complaints about Coventry City Council in 2016/17, 25 complaints were investigated, a 14% increase from 22 complaints in 2015/16. 15 out of the 25 complaints were upheld (60%). This is an increase from 11 out of 22 complaints (50%) in 2015/16. The percentage upheld (60%) in Coventry compares to a statistical neighbour average of 52% of complaints upheld and a national average of 54% complaints upheld. The tables below sets out how Coventry compares to its Chartered Institute of Public Finance and Accountancy (CIPFA) statistical neighbours, showing a range from 29% upheld (Peterborough) to 86% upheld (Rochdale); and a comparison with other West Midlands Combined Authority (WMCA) authorities, showing a range from 50% upheld (Walsall) to 73% upheld (Solihull).

Complaints investigated: comparison with WMCA authorities 2016/17

Local Authority	Not Upheld	Upheld	% Upheld	Total
Walsall	14	14	50%	28
Dudley	8	9	53%	17
Wolverhampton	7	10	59%	17
Coventry	10	15	60%	25
Sandwell	7	11	61%	18
Birmingham	38	63	62%	101
Solihull	3	8	73%	11
Average	12.4	18.6	60%	31

Complaints investigated: comparison with CIPFA statistical neighbours 2016/17

Local Authority	Not Upheld	Upheld	% Upheld	Total
Peterborough	5	2	29%	7
Stockton on Tees	7	3	30%	10
Bolton	6	5	45%	11
Sheffield	21	20	49%	41
Medway	13	13	50%	26
Swindon	5	5	50%	10
Walsall	14	14	50%	28
Kirklees	15	16	52%	31
Bradford	11	12	52%	23
Dudley	8	9	53%	17
Wolverhampton	7	10	59%	17
Coventry	10	15	60%	25
Derby	6	9	60%	15
Sandwell	7	11	61%	18
Rochdale	1	6	86%	7
Average	9	10	52%	19

2.6 Of the 15 upheld complaints for Coventry, the LGO:

- recommended a remedy for nine complaints;
- found that the fault did not cause an injustice in five complaints; and
- was satisfied with the Council's remedy in one complaint.

Six complaints resulted in some form of financial redress or reimbursement.

2.7 Following a decision, the LGO will typically issue a statement setting out its findings and its decision. If the LGO decides there was fault or maladministration causing an injustice to the complainant, it will typically recommend that a council take some action to address it. Wherever possible the LGO publishes decision statements on its web pages although this would not happen where the content of the report could identify the individual complainant. In some cases, where the LGO upholds a complaint, the LGO may choose to issue a formal report of maladministration.

2.8 The Ombudsman did not issue formal reports of maladministration for any of the 15 complaints upheld during 2016/17.

2.9 The following table, complaints by service area, sets out details about the 25 complaints that the LGO investigated in 2016/17 by service area, and how it compares to 2015/16.

Complaints by service area in 2016/17 compared to 2015/16

Service area	2016/17				2015/16			
	Upheld	Not upheld	% upheld	Response time (days)	Upheld	Not upheld	% upheld	Response time (days)
Adult social care	7	1	88%	21	2	2	50%	24
Children's social care	3		100%	19	2		100%	22
Benefits		1	0%					
Council tax	1		100%		2	1	67%	11
Education services					1		100%	20
Environmental services		1	0%	19				
Highways services		1	0%	20	1	3	25%	19
Housing services		1	0%			1	0%	27
Legal		1	0%			2	0%	19
Noise	1		100%	18		1	0%	18
Planning		1	0%	21		1	0%	
Parking	1	3	25%	20				
Open spaces	2		100%	31				
Waste services					3		100%	20
Total	15	10	60%	21	11	11	50%	20

2.10 The highest number of complaints upheld in Coventry (seven complaints) was in adult social care. The number of investigations in adult social care doubled from four in 2015/16 to eight in 2016/17 and the percentage upheld has increased from 50% to 88%. This compares to a West Midlands average of 73% and a national average of 64%. However, this needs to be seen in the context of the total volume of complaints: the Council received 67 statutory adult social care complaints in 2016/17; which 13 complaints or enquiries relating to adult care services were considered by the LGO; and only eight were investigated.

2.11 The LGO typically expects councils to respond to investigation enquiries within 20 working days. In 2016/17, on average, the Council took 21 working days to respond to enquiries on investigations; compared to 20 working days in 2015/16. This was mainly a result of the two complaints regarding open spaces where the average response time was 31 days. The complexity of the complaint, involving many service areas, meant that the Council had to ask the LGO for an extension to the response timescales.

2.12 Following the investigations, the LGO recommended some changes to our procedures on the upheld complaints in adult social care, children's social care, and in the noise team, this is set out in the learning from complaints table, below.

Further details about the outcomes of each of the complaints investigated and the actions taken are set out in Appendix II.

Learning from complaints: changes to procedures as recommended by the LGO

Area	Summary of recommendations
Adult social care	<p>The Council accepted that a home care agency acting on behalf of the Council did not use the electronic call monitoring system properly. The Council's care commissioning and finance teams agreed to put in steps to reduce the risk of this occurring in the future.</p> <p>In a separate complaint, the Council agreed to further monitor a care provider.</p> <p>In another complaint, the Council's mental health service recognised that there were unacceptable delays in undertaking a re-assessment of needs, and a carer's assessment. The service recognised the need to establish service standards in line with other services in adult social care, and is taking this forward as part of business planning for 2017/18.</p>
Children's social care	<p>Recommendations from the LGO have been noted and included in the Council's redesign of children's social care. In particular, the business processes and workflow project will provide better evidence and data so that interventions can be more effectively be provided at the right time and in the right way. The successful implementation of the project will support more robust relationships with families, improving the way the service communicates processes to families; while approved, consistent and systematic practice models will reduce instances when practice and processes have not been followed properly.</p>
Noise team	<p>The Council agreed to review its arrangements for storing information, such as diary records, and to consider introducing service standards for responding to calls and emails from members of the public who report incidents to the noise team.</p>

3 Results of consultation undertaken

3.1 None identified or undertaken.

4 Timetable for implementing this decision

4.1 The LGO Link Officer function in Coventry is located as part of the Council's Insight function. All complaints, enquiries and investigations relating to the LGO goes via the Link Officer.

4.2 The Council's own guidance and process for dealing with LGO complaints is set out in Appendix I. This has been updated for 2017/18 in line with the LGO annual letter 2017, which clarifies how the LGO expects councils to ensure that investigations are properly communicated to elected members. In particular:

- complaints to the LGO will continue to be formally reported to the Cabinet Member for Policy and Leadership and the Audit and Procurement Committee every year (this report);
- complaints about adult social care and children's social care, including cases investigated by the LGO, will also continue to be reported through an annual report to the Cabinet Member Adult Services and Cabinet Member Children and Young People respectively;
- where an investigation has wider implications for Council policy or exposes a more significant finding of maladministration, the Monitoring Officer will consider whether the implications of that investigation should be individually reported to relevant members; and
- should the Council decide not to comply with the LGO's final recommendation following an upheld investigation with a finding of maladministration, or should the LGO issue a formal report (instead of a statement), the Monitoring Officer will report this to members under section 5(2) of the Local Government and Housing Act 1989.

5 Comments from Director of Finance and Corporate Services

5.1 Financial implications

There are no direct financial implications associated with this report. Financial remedies resulting from any complaints are typically paid out of service budgets. In 2016/17, six complaints resulted in some form of financial remedy or reimbursement. These were paid out of budgets from the relevant service areas. The amount paid out relating to 2016/17 is £1,729, of which £1,522 were financial remedies and £207 were reimbursements. In addition there is a further reimbursement relating to a case where the amount is currently subject to a dispute. In the event of the Council having to pay this reimbursement, these costs will be reported in next year's report.

5.2 Legal implications

The statutory functions of the LGO are defined in the Local Government Act 1974. These are: to investigate complaints against councils and some other authorities; to investigate complaints about adult social care providers from people who arrange or fund their own adult social care; and to provide advice and guidance on good administrative practice. The main activity under Part III of the 1974 Act is the investigation of complaints, which it states is limited to complaints from members of the public alleging they have suffered injustice as a result of maladministration and/or service failure.

The LGO's jurisdiction under Part III covers all local councils, police and crime bodies; school admission appeal panels and a range of other bodies providing local services; and under Part IIIA, the LGO also investigate complaints from people who allege they have suffered injustice as a result of action by adult social care providers.

There is a duty under section 5(2) of the Local Government and Housing Act 1989 for the Council's Monitoring Officer to prepare a formal report to the Council where it appears that the authority, or any part of it, has acted or is likely to act in such a manner as to constitute maladministration or service failure, and where the LGO has conducted an investigation in relation to the matter.

6 Other implications

6.1 How will this contribute to achievement of the Council's key priorities?

The Council Plan (www.coventry.gov.uk/councilplan/) sets out the Council's vision and priorities for the city. The Council aspires for Coventry to be globally connected, by promoting the growth of a sustainable Coventry economy, and locally committed, by improving the quality of life for Coventry people; and doing so in a way that delivers priorities with fewer resources.

Effective management and resolution of complaints, as well as learning from complaints, help ensure that Council services meet the needs of local residents and communities, and helps build a foundation of trust in order for the Council to have new conversations with residents, communities and partners to enable people to do more for themselves as active and empowered citizens.

6.2 How is risk being managed?

It is important that the Council takes action and learns from the outcome of complaints. Appendix II sets out the Council has taken; for example providing training, instruction and guidance to staff and improving communications between services to help to manage risk of the likelihood of the same fault happening again.

6.3 What is the impact on the organisation?

The co-ordination and management of complaints to the LGO often involves considerable time of officers of all levels of seniority. It involves collecting a significant amount of data, preparing and writing formal responses, and chasing to meet timescales set out; and where appropriate, external input from partner organisations and commissioned services.

Therefore, it is ideal for complaints to the Council to be resolved informally at first point of contact, or resolved through the Council's own internal complaints procedures, adult social care complaints procedures, or children's social care complaints procedures, as appropriate. This would improve satisfaction for local residents and communities, as well as save Council time and resources.

6.4 Equalities and equality and consultation analyses (ECA)

Members of the public are encouraged to speak up and tell the Council if they have anything to say about Council services; if the Council does not get it right for them; or if they think the Council has done something well. This is set out in the Council's complaint policy (www.coventry.gov.uk/complaints/). To ensure that everyone is able to provide feedback, the Council accepts comments, compliments and complaints via face-to-face contact, telephone calls, letters, emails, or via an online form on the Council's website; and proportionate equalities monitoring data is also collected. Members of the public are informed that they can ask somebody else to act on their behalf, for instance, a friend or relative or the Citizens Advice Bureau. Where necessary and appropriate, translation and interpretation services, correspondence in large print, audiotape, or braille, or the services of an advocate is also available. Should a complainant remain dissatisfied following the conclusion of the Council's complaints process, they are able to refer their complaint to the LGO. The Council's complaint policy and individual response letters detailing the findings of the Council's own complaints investigations makes it clear how members of the public can do so.

6.5 Implications for (or impact on) the environment?

None

6.6 Implications for partner organisations?

Investigations by the LGO may involve not only services directly provided by Coventry City Council, but also commissioned or outsourced services. In such cases, the Council liaises with partner organisations and third-party contractors to comment or provide information as part of an investigation.

Report author(s):

Name and job title:

Si Chun Lam

Bev McLean

Interim Insight Manager (Intelligence)

Performance Information Officer & LGO Link Officer

Directorate:

People

Contact:

SiChun.Lam@coventry.gov.uk

Enquiries should be directed to the above person.

08/01/2018 11:55:54

Contributor/ approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Ilius Ahmed	Complaints Officer	People	05/09/2017	19/09/2017
Barbara Barrett	Head of Human Resources and Organisational Development	People	05/09/2017	26/09/2017
Stella Botchway	Consultant in Public Health Intelligence	People	05/09/2017	12/09/2017
Adrienne Bellingeri	Head of Customer & Business Services	People	05/09/2017	15/09/2017
Nigel Clews	Director of Kickstart	Place	05/09/2017	06/09/2017
David Cockroft	Director of City Centre & Major Projects	Place	05/09/2017	06/09/2017
Pete Fahy	Director of Adults	People	05/09/2017	26/09/2017
John Gregg	Director of Children	People	05/09/2017	26/09/2017
Nigel Hart	Head of Communications	People	06/09/2017	06/09/2017
Barrie Hastie	Director of Finance and Corporate Resources	Place	05/09/2017	06/09/2017
Colin Knight	Director of Transportation and Highways	Place	05/09/2017	06/09/2017
Jaspal Mann	Equality and Diversity Officer	People	18/09/2017	20/09/2017
Richard Moon	Director of Project Management and Property Services	Place	05/09/2017	06/09/2017
Jane Murphy	Head of Transformation and Major Projects	People	06/09/2017	06/09/2017
Wendy Ohandjanian	Equality and Diversity Officer	People	18/09/2017	18/09/2017
Kirston Nelson	Director of Education	People	05/09/2017	26/09/2017

Contributor/ approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Jane Simpson	Business Support Manager	Place	05/09/2017	06/09/2017
Barrie Strain	Acting Head of Revenues	Place	05/09/2017	14/09/2017
Andrew Walster	Director of Streetscene & Regulatory Services	Place	05/09/2017	05/09/2017
Martin Yardley	Deputy Chief Executive (Place)	Place	05/09/2017	06/09/2017
Suzanne Bennett	Governance Services Co- ordinator	Place	05/09/2017	11/09/2017
Approvers:				
Finance: Kathryn Sutherland	Lead Accountant (Business Partnering)	Place	05/09/2017	12/09/2017
Legal: Julie Newman	Legal Services Manager	Place	05/09/2017	11/09/2017
Liz Gaulton	Acting Director of Public Health	People	05/09/2017	11/09/2017
Gail Quinton	Deputy Chief Executive (People)	People	05/09/2017	15/09/2017
Members: Councillor Duggins	Cabinet Member for Policy and Leadership		26/09/2017	11/10/17

This report is published on the Council's website: www.coventry.gov.uk/councilmeetings/

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Coventry City Council Local Government and Social Care Ombudsman Complaints Handling Guidance

Introduction

The Local Government and Social Care Ombudsman (LGO) is the final stage for complaints about councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It is a free service that investigate complaints in a fair and independent way; and provides a means of redress to individuals for injustice caused by unfair treatment or service failure. This document sets out Coventry City Council's own guidance and process for dealing with LGO complaints. All complaints, enquiries and investigations go via Coventry City Council's **LGO Link Officer**. The LGO Link Officer can be contacted by email at Ombudsman@coventry.gov.uk.

Questions?
Contact the **LGO Link Officer**
Ombudsman@coventry.gov.uk

Guidance

Enquiry

from the LGO Assessment Team

The request will have a short deadline of between **1 to 3 working days**. At this stage, the LGO will typically ask the Council for a copy of the Council's formal complaint responses; and confirmation if the complaint has fully completed the Council's own complaints process. The request will not include any new actions and should be returned to the LGO Link Officer by the date specified.

Premature
complaint received from the LGO Assessment Team

If a complaint has not completed the Council's own complaints process, the LGO will return the complaint to us as a "premature" complaint and ask us to consider the complaint under our complaints procedure and remind the complainant in our final response of their right to complain again to the LGO. If we do not resolve the complaint, a premature request will also request that we send the LGO a copy of our final response. Following completion of the complaints procedure (whether it is resolved or not), please send the LGO Link Officer a copy of the final response.

Full investigation
received from an LGO Investigator

The LGO Link Officer will send a covering email requesting a written response to the LGO's questions. This needs to be returned by a set deadline, usually within **18 working days**, so that the deadline (within 20 working days) can be met.

The response must be provided as a **statement**, providing general comments as well as responses to each of the questions. It must also include the name and position of the author, and be **signed off by the Director** or a nominated person. Any supporting evidence must be provided as electronic attachments and referenced in the statement. Any information that cannot be shared with the complainant should be clearly marked and packaged separately.

It may be necessary to seek legal advice and/or liaise with commissioned services and partner organisations as appropriate. The LGO Link Officer needs confirmation that this has been done (in the form of an email trail).

If the investigator has asked us to consider whether we are prepared to remedy any injustice that may have been caused – we should comment on this as this is an opportunity for us to resolve the issue.

Please remember that the law says that investigations must be conducted in private. The complaint and information about it must not be disclosed to third parties. Correspondence containing personal or confidential data should be sent in a password protected zip archive with the password provided separately.

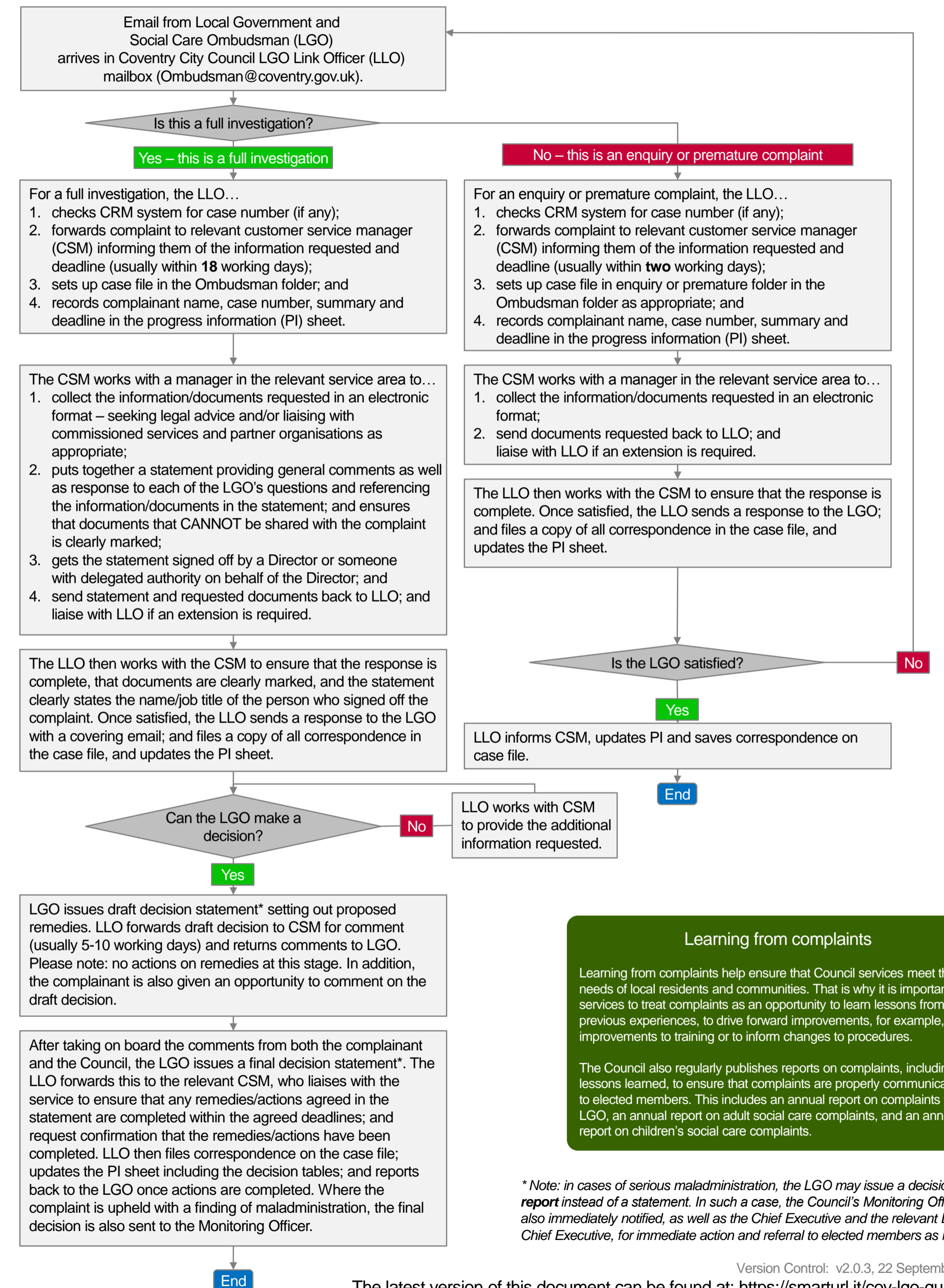
Draft decision
received from an LGO investigator

Following the investigation, the LGO will typically issue a draft decision **statement**. This will state whether the complaint was **upheld** or not, and detail the investigator's findings and explains the decision made. At this stage, the Council is asked whether it agrees with the decision and remedy. This is an opportunity to comment on the decision, and suggest any changes or corrections. At this stage, action must **not** be taken yet – remedies should only be completed after the final decision. We are usually requested to respond within **5-10 working days**. *Note: the investigator may choose to issue a decision as a **report** (under Section 30(1) of the Local Government Act 1974) in which case the Council's Monitoring Officer is notified.*

Final decision
letter and statement received

The final decision letter and statement should be circulated, as appropriate, to everyone who was involved in the investigation and everyone who needs to know of the investigation outcomes. All agreed actions should now be completed – and confirmation and evidence that all actions have been completed must be sent to the LGO Link Officer, usually within **5-10 working days**. In cases where the LGO makes a finding of **maladministration**, the final decision letter and statement is also forwarded by the LGO Link Officer to the Monitoring Officer. The Monitoring Officer will decide if any further action is required.

Process Flowchart



Learning from complaints

Learning from complaints help ensure that Council services meet the needs of local residents and communities. That is why it is important for services to treat complaints as an opportunity to learn lessons from previous experiences, to drive forward improvements, for example, improvements to training or to inform changes to procedures.

The Council also regularly publishes reports on complaints, including lessons learned, to ensure that complaints are properly communicated to elected members. This includes an annual report on complaints to the LGO, an annual report on adult social care complaints, and an annual report on children's social care complaints.

* Note: in cases of serious maladministration, the LGO may issue a decision with a **report** instead of a statement. In such a case, the Council's Monitoring Officer is also immediately notified, as well as the Chief Executive and the relevant Deputy Chief Executive, for immediate action and referral to elected members as required.

Version Control: v2.0.3, 22 September 2017

The latest version of this document can be found at: <https://smarturl.it/cov-lgo-guidance>

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Local Government and Social Care Ombudsman Investigation Decisions in 2016/17 for Coventry City Council

Decisions in 2016/17 (detailed investigations carried out)

Complaints upheld

Service area	Summary	Financial remedy <i>plus</i> reimbursements
People Directorate (10 complaints upheld)		
Adult social care (7 complaints upheld)		
	<ul style="list-style-type: none"> • Mrs A complained the Council did not communicate clearly enough about removing her belongings from her home. She missed the opportunity to attend the house clearance. - The LGO found the Council was at fault in how it communicated with Mrs A about the clearance of her home. The Council agreed to apologise to Mrs A for not arranging a sign language interpreter for the meeting when discussion took place regarding the house clearance and for not inviting her to be present when her home was cleared. 	
	<ul style="list-style-type: none"> • Mr B complained the Council tried to overcharge for cost of Mrs X's care. The records from call monitoring system did not match the time carers spent with Mrs B. - The Council accepted the home care agency was not using the electronic call monitoring system properly and put in steps to reduce the risk of this occurring in the future. Credited Mr X with the £207.15 overcharged care costs and paid him £50 to recognise the time and trouble it put him to during the complaint. 	£50 plus £207 in overcharged care costs
	<ul style="list-style-type: none"> • Ms C complained for her mother Mrs C that the Council failed to deal with and respond to concerns raised in 2014 about the home care Mrs C received from a care provider. - The LGO found there was some fault by the Council in the way it monitored the care provider following Mrs C complaint. But there was no injustice to Mrs C as she longer receives care from the care provider. The Council agreed to revisit the concerns raised and monitor the care provider which is the outcome Mrs C was seeking. 	
Page 39	<ul style="list-style-type: none"> • Mr D on behalf of his mother Mrs D, had asked the Council to assess her finances because her capital had fallen below the threshold. Mr D complained the Council delayed completing a review, refused to pay the top up for her current residence, did not consider the impact of a move on Mrs D and failed to deal with his complaint in a timely and effective way. The Council apologised for the 5 month delay and said Mr D had not been given sufficient information about top ups. It agreed therefore to pay the top up until the allocated social worker can find another suitable placement for Mrs D. - The LGO found the Council was a fault in the way it dealt with Mr D's request for an assessment therefore upheld Mr D complaint however the Council had already taken suitable action to put the injustice it caused right. 	

Service area	Summary	Financial remedy <i>plus reimbursements</i>
e 40	<ul style="list-style-type: none"> • The council was in dispute with a neighbouring council with regard to the late Mr E's residency, as a result his nursing home fees had not been paid. - As detailed in the regulations, the LGO recommended that the Council should accept responsibility for funding Mr E's placement as the "lead authority"; pay the outstanding debt to the nursing home and take steps to resolve the dispute with the other council and if it cannot do so refer the matter to the Secretary of State. The Council agreed to do this. 	<i>Payment of outstanding debts to the nursing home</i>
	<ul style="list-style-type: none"> • Mrs F complained about the care and support provided to her and her mother Mrs G, by the Council, Coventry & Warwickshire Partnership NHS Trust (the Trust) and NHS Coventry & Rugby Clinical Commissioning Group (the CCG). In particular Mrs F complained that there was not a suitable care package for Mrs G from August 2014; there was no assessment of Mrs G's needs in April 2015; there was no carers assessment for Mrs F; there was a frequent change of social workers; at a meeting Mrs F had with the Council the chair of the meeting was rude to her and the Council and the Trust refused to investigate Mrs F's complaint jointly. (Note: this was recorded as two complaints by the LGO.) - The LGO found no fault by the Council or CCG in reviewing and providing Mrs G's care plan, however the LGO found fault by the Council as it failed to ensure Mrs G had adequate night time care 2 nights in February 2015. Fault was found as the Council delayed arranging a care needs assessment between June and October 2015; delayed completing a carer's assessment for Mrs F and failed to complete a joint investigation with the Trust. The Council agreed to acknowledge these faults and apologise to Mrs F for the distress and inconvenience they caused her and her family. The Council paid Mrs F £250 in recognition of the distress and inconvenience caused by the fault in not completing a carer's assessment. Council also had to explain to Mrs F and the LGO what learning it has taken in respect of the fault with the carer's assessment and explain what actions have been or will be taken to improve the service. The Council and the Trust paid £125 each in recognition of the distress and inconvenience caused to Mrs F as they did not complete a joint investigation. No fault was found regarding the changes in social workers or in relation to comments made during a complaints meeting. 	£250 £125
Children's social care (3 complaints upheld)		
	<ul style="list-style-type: none"> • Ms H complained about the Council's investigation into allegations of abuse made by her children against their father. The Council did not tell Ms H she could pursue the matter to the next stage of the statutory complaints procedure as the complaint included matters relating to both the police and the Council. - The LGO found the Council was at fault the Council should have advised Ms H she could pursue those parts of her complaint that related to the Council's actions under the complaints procedure. The Council agreed to consider the complaint under the statutory procedure at Stage 2. 	

Service area	Summary	Financial remedy <i>plus</i> reimbursements
	<ul style="list-style-type: none"> • Mr I complained the Council did not follow the Disabled Facilities Grant guidance when it turned down his application. - The LGO found the Council did not clearly explain the process, it had correctly consider matters and it had confirmed it would reassess the case if Mr I provides the necessary supporting evidence. Without evidence of fault which had caused Mr I injustice, the LGO did not pursue the complaint any further. 	
	<ul style="list-style-type: none"> • Mr J complained of the failings of Children’s services which led to him having restricted contact with his children. The stage two investigation report recommended the Council apologise to Mr J and compensate him for the distress he faced and in addition the officer made a number of procedural recommendations. Mr J complained to the LGO because he was dissatisfied with the compensation the Council offered and it did not tell him how it implement the recommendations. - The LGO found there was fault and injustice by the Council and found the Council’s offer of £750 in compensation and agreement to place the complainant’s comments in the case file was sufficient personal remedy for the injustice. The LGO did find fault as the Council had not kept Mr J informed of its implementation of the recommendations as the implementation did not lend itself to individual reporting the type envisaged by Mr J. The Council confirmed it was redesigning the whole scope of children’s service and the redesign includes the recommendations in the stage two report. The LGO did not consider this failing caused Mr J significant personal injustice to warrant further pursuit of the point by the LGO. 	£750
Place Directorate (5 complaints upheld)		
Council Tax (1 complaint upheld)		
	<ul style="list-style-type: none"> • Mr K complained about the Council’s handling of his council tax account. A manager did not respond to one of his emails and the Council obtained a liability order without issuing a summons to court beforehand. - The LGO found fault by the Council but closed the complaint because the Council had provided an adequate remedy for the injustice to Mr K. The Council had apologised, cancelled the cost of the summons and the cost of a further summons. 	
Noise (1 complaint upheld)		
Page 41	<ul style="list-style-type: none"> • Mr L complained that the Council failed to investigate his repeated complaints about noise nuisance from a neighbouring flat. It did not reply to his emails and he had to contact a Councillor and make a complaint before action was taken to investigate his complaint. - The LGO upheld part of Mr L’s complaint, the Council had already apologised to Mr L for the poor service he received. The Council agreed to review its arrangements for storing information, such as 	

Service area	Summary	Financial remedy <i>plus</i> reimbursements
e 42	diary records and to consider introducing service standards for responding to calls and emails from members of the public who report incidents to the noise team.	
Open space (2 complaints upheld)		
	<ul style="list-style-type: none"> • Mrs M and Mrs N both complained on behalf of a local community group with an interest in trees about the way in which the Council decided to remove a hedgerow bordering a cemetery. - The LGO partially upheld the complaint but did not consider that the fault identified caused significant injustice to the complainants or the group they represented. 	
Parking (1 complaint upheld)		
	<ul style="list-style-type: none"> • Mr O complained the Council sent the Penalty Charge Notice (PCN) and all the related correspondence regarding a penalty charge for driving in a bus lane to the wrong address. The Council's bailiff came across his car by chance when issuing the Notice of Enforcement and clamped it. Mr O had to pay £407 to have the clamp removed, or the car would have been towed away. - The LGO found fault that the Council's enforcement agents were in breach of the Traffic Management Act 2004 operating guidance when they clamped the car when they were aware that the address on the paperwork was wrong. They should have referred the matter back to the Council and as Mr O did not receive any correspondence relating to the penalty charge. The Council should have taken the matter back to the Enforcement Notice stage and then have restarted the recovery process from that point. The LGO suggested the Council reimburse Mr O the difference between the penalty charge amount £60 and the £407 he paid. The Council accepted this remedy. 	£347

Complaints not upheld

Service area	Summary
People Directorate – complaints not upheld (1 complaint)	
Adult Social Care	<ul style="list-style-type: none"> The LGO found no fault on Mrs P's complaint made on behalf of her late sister about the care she received when a new care provider took over her care.
Place Directorate – complaints not upheld (9 complaint)	
Benefits	<ul style="list-style-type: none"> There was no fault by the Council in the complaint which alleged the Council wrongly suspended the complainant's housing benefit claim in 2015 and did not pay him any housing benefit for almost a year.
Environmental services	<ul style="list-style-type: none"> The LGO found there was no evidence of fault in how the Council investigated a complaint of fumes entering a property from a neighbour's gas fire.
Highways	<ul style="list-style-type: none"> The LGO found there was no fault in the way the Council considered an application for a dropped kerb.
Housing	<ul style="list-style-type: none"> The LGO found no fault on Mr Q's complaint that the Council failed to investigate his reports of hazards in his privately rented property. It also found no fault on his complaint about the Council's failure to pay housing benefit.
Legal	<ul style="list-style-type: none"> Mr & Mrs R said the Council unreasonably refused to investigate their complaint about the alleged actions of the Coroner for Coventry, the LGO found there was no fault by the Council. The body to consider the substantive issue and the Coroners decision on the complaint should be the Judicial Conduct Investigations Office.
Parking	<ul style="list-style-type: none"> The LGO found no fault in the Council's response to Mrs S's complaints about anti-social behaviour, littering and people waiting in a lay-by opposite her home. The LGO recorded this as 2 complaints. The LGO ended her involvement with Mr T's complaints about parking problems to allow the Council to investigate Mr T's wider complaint fully and respond to Mr T direct.
Planning	<ul style="list-style-type: none"> The LGO found no fault in the advice offered by the Council to complainant, therefore ended her investigation.

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Audit and Procurement Committee

22 January 2018

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources, Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (People)

Ward(s) affected:

All

Title:

Contract Management Progress Report

Is this a key decision?

No

Executive Summary:

Over the last 4 years the council has delivered over £11.5m procurement savings and has covered all areas of council expenditure at least once, to ensure that appropriate procurement processes are used and contracts put in place. This means that when contracts are retendered, price savings are far less likely particularly with inflationary pressures starting to feed into the supply chain. This means that other tools and techniques need to be used to deliver further savings. Contract management is one of those techniques that ensures that what was tendered and agreed gets delivered and that there is no additional costs incurred as the contract is rolled out. In fact, through good contract management it should be possible to drive cost out of the contract through improved methods of service delivery or simply stopping doing things that are not adding any value.

In the last twelve months Procurement Services have:

- developed a contract management framework for the council which has been endorsed by Corporate Leadership Team (CLT)
- identified officers involved in contract management as part of their duties
- identified a suitable training provider for contract management and negotiation training
- started to deliver the training to key contract management, commissioning and procurement staff.
- Piloted the contract management framework on the Home Care Support contract.

Recommendations:

The Audit Committee are requested to:

- 1) Consider the action taken on contract management to date and agree the recommendations for future action.

List of Appendices included:

Contract Management Framework

Background papers:

None

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Contract Management Progress Report

1. Context (or background)

- 1.1 Over the last 4 years the council has delivered over £11.5m procurement savings and has covered all areas of council expenditure at least once, to ensure that appropriate procurement processes are used and contracts put in place. This means that when contracts are retendered, price savings are far less likely particularly with inflationary pressures starting to feed into the supply chain. This means that other tools and techniques need to be used to deliver further savings. Contract management is one of those techniques that ensures that what was tendered and agreed gets delivered and that there is no additional costs incurred as the contract is rolled out. In fact, through good contract management it should be possible to drive cost out of the contract through improved methods of service delivery or simply stopping doing things that are not adding any value.
- 1.2 Local Partnerships conducted a review of contract management in 2015. There were many positive statements in their final report however, the two areas for improvement were:
- (a) “Development of the corporate approach to contract management and compliance needs work. Contract managers have differing views of the role of the central procurement team and it is suggested this leads to confusion. Contract management is organised as required by the service area and this means there is no common structure. Contract management skills are not identified as a requirement to be a contract manager and contract Managers do not share experiences and intelligence and senior management have not provided a means for this to happen.”
 - (b) “There are some good examples of comprehensive contract management operating but this is not universal. Some contract managers think the council is not good at challenging contractors. A high % of spend is covered by contract.”
- 1.3 After receiving this feedback research was carried out by Procurement Services to develop an appropriate corporate framework for the delivery of good contract management. The research showed that contract management in different markets requires different approaches e.g. a care contract would be managed differently from a construction contract although the commercial principles remained the same. It was important therefore for the framework to be flexible enough to accommodate different requirements. A document was drawn up and the final contract management framework (see Appendix 1) was agreed through the Procurement Board on 13th July 2017 after consultation with directorates and Corporate Leadership Team (CLT).

2. Options considered and recommended proposal

- 2.1 CLT considered two options for improving contract management, the first was a Centre Led Action Network (CLAN) with the Procurement Service acting as the centre supporting contract managers in Directorates with skills, tools and techniques and the second was to establish a specialist contract management team who would work with contract managers on specific contracts to improve delivery.
- 2.2 A SWOT (strengths, weakness, opportunities and threats) analysis was completed for each option and the CLAN option was chosen because although it might take longer to implement, it did not require any additional resource and developed the required skills within services giving more opportunity for benefits to continue to be realised in the longer term.

2.3 Since the contract management framework was approved, the Procurement Service have:

- (a) identified the officers who are involved in contract management
- (b) researched the market for appropriate contract management and negotiation training
- (c) run 2 training courses for 30 staff with courses planned for a further 50+ staff, including a shortened version of the training for CLT.
- (d) Begun a pilot implementation of the contract management framework on the Home Care Support contract in conjunction with Commissioning colleagues and initial feedback is that the pilot has been successful so far.

2.4 The proposal is that the Procurement Service continue to roll out the contract management training to identified staff, continue with the framework pilot and then conduct a review of outcomes before deciding on future priorities.

3. Results of consultation undertaken

3.1 Internal consultation has taken place with contract managers, commissioners, CLT and the Procurement Board to agree the best way of implementing improved contract management for the council.

4. Timetable for implementing this decision

4.1 Work has already started on improving contract management for the Council, with Audit and Procurement Committee's support this work will continue until benefits are realised.

5. Comments from the Director of Finance and Corporate Resources

5.1 Financial implications

As stated in 1.1 it is more challenging to deliver significant price savings in the current market, therefore improving contract management in the organisation should contribute to reduced costs. Further work will be required by finance and procurement to capture benefits realised.

5.2 Legal implications

There are no direct legal implications of this report. Improving contract management should have the added benefit of reducing legal disputes as issues such as poor performance will be dealt with in a structured way giving contractors every opportunity to improve before legal action is taken.

6. Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

Improved contract management will directly contribute to two Council priorities "delivering our priorities with fewer resources" and "managing performance and measuring progress"

6.2 How is risk being managed?

Key contract risks that have been identified will be better mitigated through improved contract management.

6.3 What is the impact on the organisation?

Roles and responsibilities for contract management in the council will be clarified and reinforced.

6.4 Equalities / EIA

Improving contract management will not have a differential impact on service users and could potentially ensure that contract conditions are better enforced improving equality of opportunity for all.

6.5 Implications for (or impact on) the environment

Any contractual requirements or conditions related to environmental impacts are more likely to be delivered through improved contract management.

6.6 Implications for partner organisations?

Coventry CC will be sharing their learning on contract management with sub regional and regional procurement colleagues.

Report author(s): /

Name and job title:

Liz Welton, Assistant Director Procurement
Mick Burn, Head of Procurement

Directorate:

People

Tel and email contact:

Liz.welton@coventry.gov.uk 024 7683 2918

Mick.burn@coventry.gov.uk 024 7683 2684

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Place	22.12.17	22.12.17
Other members				
Names of approvers for submission: (officers and members)				
Finance: Ewan Dewar	Finance Manager	Place	22.12.17	03.01.18
Legal: Julie Newman	Head of Legal Services	Place	22.12.17	04.01.18
Director: David Ashmore	Director of Customer Services and Transformation	People	22.12.17	22.12.17
Members: Councillor John Mutton			09.01.18	09.01.18

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