



Audit, Governance & Standards

Committee

Thu 15 Apr
2021
7.00 pm

Microsoft Teams

REDDITCH BOROUGH COUNCIL

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If you have any queries on this Agenda please contact
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GUIDANCE ON VIRTUAL MEETINGS

Due to the current Covid-19 pandemic Redditch Borough Council will be holding this meeting in accordance with the relevant legislative arrangements for remote meetings of a local authority. For more information please refer to the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police Crime Panels meetings) (England and Wales) Regulations 2020.

Please note that this is a public meeting conducted remotely by Microsoft Teams conferencing between invited participants and live streamed for general access via the Council's YouTube channel.

You are able to access the livestream of the meeting from the Committee Pages of the website, alongside the agenda for the meeting.

[Live Stream for Audit, Governance and Standards Committee Meeting - 15th April 2021](#)

If you have any questions regarding the agenda or attached papers please do not hesitate to contact the officer named above.

Notes:

As referred to above, the virtual Microsoft Teams meeting will be streamed live and accessible to view. Although this is a public meeting, there are circumstances when the committee might have to move into closed session to consider exempt or confidential information. For agenda items that are exempt, the public are excluded and for any such items the live stream will be suspended and that part of the meeting will not be recorded.

Audit, Governance & Standards

Thursday, 15th April, 2021

7.00 pm

Microsoft Teams

Agenda

Membership:

Cllrs:

John Fisher (Chair)
Mark Shurmer (Vice-
Chair)
Salman Akbar
Tom Baker-Price
Juliet Brunner

Peter Fleming
Yvonne Smith
David Thain
Craig Warhurst

1. Apologies and named Substitutes

2. Declarations of Interest

To invite Councillors to declare any Disclosable Pecuniary Interests and/or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.

3. Minutes (Pages 1 - 10)

4. Public Speaking

Members of the public have an opportunity to speak at meetings of the Audit, Governance and Standards Committee. In order to do so members of the public must register by 12 noon on the day of the meeting. A maximum of 15 minutes will be allocated to public speaking.

5. Monitoring Officer's Report - Standards Regime (Pages 11 - 16)

6. Grant Thornton External Audit Progress Report and Sector Update (Pages 17 - 38)

7. Internal Audit Progress Report (Pages 39 - 78)

8. Compliance Team Update Financial Savings Monitoring Report
(Report to follow).

9. Covid-19 Grants (Pages 79 - 102)

10. Corporate Risk Register Verbal Update

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11. Risk Champion Verbal Update

12. Committee Work Programme (Pages 103 - 104)



Audit, Governance & Standards Committee

Monday, 1st March, 2021

MINUTES

Present:

Councillor Mark Shurmer (Vice-Chair) and Councillors Salman Akbar, Joe Baker, Tom Baker-Price, Peter Fleming, Julian Grubb, Yvonne Smith, David Thain and Craig Warhurst

Also Present:

Jackson Murray – Engagement Lead for Grant Thornton
Neil Preece – Engagement Manager for Grant Thornton

Officers:

Andy Bromage, Kevin Dicks, Clare Flanagan, ,Chris Forrester and James Howse

Democratic Services Officers:

Jo Gresham and Kerry Somers

42. APOLOGIES AND NAMED SUBSTITUTES

Apologies for absence were received on behalf of Councillor John Fisher and Councillor Juliet Brunner. Members were informed that Councillor Joe Baker and Councillor Julian Grubb were in attendance as their named substitutes.

43. DECLARATIONS OF INTEREST

There were no declarations of interest.

44. MINUTES

Chair

Audit, Governance & Standards Committee

Monday, 1st March, 2021

RESOLVED that

the minutes of the meeting of the Audit, Governance and Standards Committee held on Thursday 26th November 2020 be approved as a true and correct record.

45. PUBLIC SPEAKING

The Chair confirmed that there were no registered public speakers on this occasion.

46. MONITORING OFFICER'S REPORT - STANDARDS REGIME

The Principal Solicitor presented the Monitoring Officer's report for Members' consideration.

Members were informed that, as detailed in the report no complaints had been received since the last meeting of the Committee.

It was reported to Members that legislation which had been passed permitting Councils to hold virtual public meetings was due to expire on 7th May 2021. Members were advised that that an application was being made to the High Court by the Lawyers in Local Government and Association of Democratic Services Officers seeking a declaration that virtual meetings would be possible under existing legislation after 7th May 2021.

Members enquired whether there would be the possibility of hybrid meetings in the future. It was clarified by the Principal Solicitor that this was still unknown and that any future progress would be reported to Members once any decisions had been made.

RESOLVED that

the Monitoring Officer's report be noted.

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47. MODEL CODE OF CONDUCT

The Principal Solicitor presented a report on the Model Code of Conduct and in doing so drew Members' attention to the Local Government's Association (LGA) New Model Code of Conduct document included as an appendix to the main report. The differences between the New Model Code of Conduct and the existing Code of Conduct were highlighted to Members who were then asked to provide comment on these differences in order to provide feedback to the pan-Worcestershire Monitoring Officer Group.

It was highlighted that the style and language of the new Model Code of Conduct was very different to the existing Code and that a great deal of narrative had been included in the New Code.

The Principal Solicitor advised Members that during discussions with Monitoring Officers throughout the County there had been different opinions on whether to adopt the New Model Code. However, it was clarified that it would be possible to tweak the New Model Code at a local level if required. Members were reminded that there had been an appetite in the past for a pan-Worcestershire code that covered all three tiers of Local Government. This had been achieved previously through the collaboration of Monitoring Officers across the County and Members expressed that they hoped that this collaboration would continue in the future.

During the consideration of the report, Members provided the following feedback:

- It seemed sensible to adopt a pan-Worcestershire Code that covered all of the Local Authorities. This would make it simpler for any Members who were Members on more than one Authority across the County.
- That the LGA's New Model Code of Conduct seemed overcomplicated and that the current Code was more streamlined. Members were assured that the narrative contained within the New Code could be removed and a guidance document provided separately.

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- There was little clarification included in the New Model Code in respect of social media and that this might be an area where further clarification would be needed if the LGA New Code were to be adopted.
- That a limit of £15 should remain in place regarding Gifts and Hospitality received rather than the suggested £50 limit included in the LGA's New Code.
- In respect of training, it was felt that Member Code of Conduct training should be undertaken on an annual basis and that it should be mandatory. Although it was widely acknowledged by the Committee that training should be undertaken some Members felt that even if training were to be made mandatory in the future it would be difficult to enforce a breach of the Code due to the lack of sanctions contained within the Code. It was suggested that a more appropriate resolution might be to 'strongly recommend' at Group Leader level that Member training be undertaken rather than it being mandated.

After detailed discussion, it was confirmed by the Principal Solicitor that the feedback that Members had provided would be reported back through the appropriate channels for consideration.

Members were advised that it would be useful to start with the LGA's version as a template and ensure tweaks were made at a local level. It was agreed that this would be the most appropriate way forward as it ensured consistency across all of the Authorities in the County.

There was some confusion regarding the recommendations however after clarification it was confirmed that a slightly amended recommendation be proposed which combined all three recommendations contained within the report.

RESOLVED that

using the LGA's New Model Code of conduct as a template, the Monitoring Officer (MO) liaise with other MOs across

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Worcestershire to consider the feedback from all councils to bring forward a new Worcestershire wide Code for consideration.

48. EXTERNAL AUDIT - AUDIT FINDINGS REPORT 2019/20

Prior to consideration of this item the Chief Executive introduced the James Howse, the new Executive Director of Finance to the Committee, who expressed that he was very much looking forward to working with the Members and the Committee going forward.

The Engagement Lead for Grant Thornton Members presented the Audit Findings Report 2019/20 from and in doing so the following was highlighted for Members' attention:

- It had been reported at the previous meeting of the Committee that Grant Thornton had not been in a position to present the findings at that time however officers had worked hard to finalise the reports for presentation to the Committee. Members were informed that some of the challenges encountered during the audit process were poor quality working papers and an archaic ledger system. Members were advised that some of the issues had been identified during previous audits however with the implementation of the new Enterprise Resource Planning (ERP) system it was hoped that these would no longer be an issue in the future.
- Covid-19 had, inevitably, had a significant impact on the completion of the Audit, and it had taken longer than anticipated to complete. Members were informed that as a direct result of Covid-19 an Emphasis of Matter paragraph had been included in the Audit Findings Report. It was clarified that this paragraph had not been included in previous Audit Findings reports. Members were advised this was in relation to the valuation of assets belonging to the Council and that all Local Government organisations had received these disclosures.
- An unqualified audit opinion was proposed by Grant Thornton, subject to the completion of the few outstanding areas that had been identified within the report.

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- The final fee would be discussed with Officers once the audit process had been completed.

The Engagement Manager from Grant Thornton provided further information in respect of the Statutory Recommendation under Section 24 that had been issued in 2018/2019 and reported that there had been significant improvements since then. This was as a result of difficult decisions made by Members and the hard work of officers. It was, however, highlighted to Members that this would need to continue in the future and a cautious approach was advised. As a result of this, it was confirmed that Grant Thornton proposed a qualified 'except for' Value for Money conclusion. Members were advised that although steps had been made towards a more balanced position savings still needed to be made for future financial years. In addition to this, the Engagement Manager for Grant Thornton explained that a number of plans and schemes had been examined as part of the Value for Money findings and that generally these were fully developed, and the information provided by officers in order for Members to make decisions were reasonable and accurate.

The Chair invited the Head of Finance and Customer Services to comment on the report and the Audit Findings. He thanked Grant Thornton for all of their hard work during the audit process and that any issues that had been highlighted were a fair representation of an audit carried out in difficult circumstances. This was reiterated by the Chief Executive who offered his thanks to Grant Thornton and, in particular, the Head of Finance and Customer Services who had worked exceptionally hard to get the audit completed.

Some Members expressed their concerns about whether enough appropriate resources and skills were available within the Council to produce the quality of information for future audits. The Head of Finance and Customer Services acknowledged that this year had been unprecedented, and a number of projects had been undertaken at the same time as the audit including the implementation of the ERP system and the distribution of the Covid-19 Business Grants. This had resulted in challenges that would

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need to be addressed in the future in order to carry out the financial close down period.

Members expressed that the lifting of the Section 24 was a great achievement in such a short period of time and that although difficult decisions would have to be made in the future it was a positive outcome after a difficult year.

RESOLVED that

the Audit Findings Report 2019/20 and the draft letter of representation be approved.

49. STATEMENT OF ACCOUNTS 2019/2020

The Head of Finance and Customer Services presented the Statement of Accounts for 2019/2020. During the presentation, Members were advised that due to delays there had not been the opportunity to quality check the final statement of accounts and therefore it had been agreed that only the core statements would be presented to the Committee for approval. Should any material changes occur these would be reported back to Members at a subsequent meeting of the Audit, Governance and Standards Committee.

RESOLVED that

the Audit, Governance and Standards Committee APPROVE the Statement of Accounts at Appendix 1 subject to final auditor certification.

50. INTERNAL AUDIT PROGRESS REPORT

The Head of the Worcestershire Internal Audit Shared Service explained to Members that this was a progress report on the internal audit revised plan for 2020/2021.

During consideration of this item Members' attention was drawn to the following:

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- Two reviews had been finalised since the last meeting of the Committee. Both of these reports contained no High Priority Recommendations. Four reviews were currently in draft form and would be provided to Members for consideration at the next meeting. In addition to this it was confirmed that all of the audit on the core financials would be completed and presented to the Committee in due course.
- A follow-up report had been undertaken regarding the Compliments and Complaints audit that had previously been completed. Members were advised that there had been improvements in this area following continued work by officers.
- A significant amount of data sets had been uploaded as part of the National Fraud Initiative (NFI) work which the Head of Finance and Customer Services and his team were heavily involved in. Members were advised that one of the data sets had been provided after the deadline. It was confirmed, however, that no fine would be levied by the NFI due to the current, exceptional circumstances.

Some Members were keen to ensure that the improvements in respect of the Compliments and Complaints process were maintained as this ensured continual development within the Council's systems. Members agreed that these kinds of improvements enhanced the services for the residents and provided important learnings moving forward. Members were reassured by the Head of the Worcestershire Internal Audit Shared Service that implementation of some of the recommendations was still underway however it was confirmed that a number had been completed.

RESOLVED that

the contents of the Internal Audit Progress Report be noted.

51. RISK CHAMPION VERBAL UPDATE - COUNCILLOR DAVID THAIN

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Councillor D. Thain provided a Risk Champion update to the Committee and informed Members that the nature of risks had become more complex over time. It was confirmed that risk was an area that was taken very seriously throughout the Council and it would continue to be a priority for the future.

RESOLVED that

the Risk Champion Update be noted.

52. COMMITTEE WORK PROGRAMME

The Democratic Services Officer highlighted to Members that there were a large number of items due for consideration at the next meeting. She confirmed that work would be done with officers to confirm that the reporting timetable was still applicable and amend the Work Programme accordingly.

There was some concern from Members regarding the recruitment of an Independent Member. It was acknowledged that historically there had been difficulties in recruiting an Independent Member to the Committee however it was felt that it was important to have an Independent Member to ensure the Committee continued to operate in a transparent and effective way. The Democratic Services Officer reminded Members that there had been a discussion at the previous meeting, and it was agreed that the recruitment of the Independent Member would be reviewed annually. However, the Democratic Services Officer undertook to clarify this with officers.

RESOLVED that

the contents of the Committee's Work Programme be noted.

The Meeting commenced at 7.00 pm
and closed at 8.56 pm

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REDDITCH BOROUGH COUNCIL

Audit, Governance & Standards Committee 2021

15th April**MONITORING OFFICER'S REPORT**

Relevant Portfolio Holder	Councillor David Thain (Governance)
Portfolio Holder Consulted	No
Relevant Head of Service	Claire Felton, Head of Legal, Democratic and Property Services
Report Author Claire Felton	Job Title: Head of Legal, Democratic and Property Services Contact email: c.felton@bromsgroveandredditch.gov.uk Contact Tel: 01527 881429
Wards Affected	N/A
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	An effective and sustainable Council
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Audit, Governance and Standards Committee is asked to RESOLVE that: -

subject to Members' comments, the report be noted.

2. BACKGROUND

- 2.1 This report sets out the position in relation to key standards regime matters which are of relevance to the Audit, Governance and Standards Committee since the last update provided at the meeting of the Committee in November 2020.
- 2.2 It has been proposed that a report of this nature be presented to each meeting of the Committee to ensure that Members are kept updated with any relevant standards matters.
- 2.3 Any further updates arising after publication of this report, including any standards issues raised by the Feckenham Parish Council Representative(s), will be reported by the Monitoring Officer (MO) at the meeting.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications arising out of this report.

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4. LEGAL IMPLICATIONS

- 4.1 The Localism Act became law on 15th November 2011. Chapter 7 of Part 1 of the Localism Act 2011 ('the Act') introduced a new standards regime effective from 1st July 2012. The Act places a requirement on authorities to promote and maintain high standards of conduct by Members and co-opted (with voting rights) Members of an authority. The Act also requires the authority to have in place arrangements under which allegations that either a district or parish councillor has breached his or her Code of Conduct can be investigated, together with arrangements under which decisions on such allegations can be made. The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 were laid before Parliament on 8th June 2012 and also came into force on 1st July 2012.

5. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purpose

- 5.1 It is important to ensure that the Council manages standards regime matters in an appropriate manner. The issues detailed in this report help to ensure that there is an effective and sustainable Council.

Climate Change Implications

- 5.2 There are no specific climate change implications.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

- 6.1 There are no direct implications arising out of this report. Details of the Council's arrangements for managing standards complaints under the Localism Act 2011 are available on the Council's website and from the Monitoring Officer on request.

Operational Implications

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Member Complaints

- 6.2 No complaints have been received since the last meeting.

Committee Meetings Update

- 6.3 Meetings are still currently being held in order to meet the requirements of The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panels Meetings) (England and Wales) Regulations 2020 no 392 with all public meetings being live streamed to the Council's YouTube channel, and a link provided on the Council's website to access these. This allows the public to continue to see that Council business is carrying on and that decisions are being made in an appropriate manner.
- 6.4 The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panels Meetings) (England and Wales) Regulations 2020 no 392 that were put in place at the beginning of lockdown in respect of virtual meetings remain in place until 7th May 2021. After this date Councils will be required to hold meetings in person in cases where a decision needs to be taken by Members. Private and informal meetings where no decisions are required from Members can continue to be held virtually for example meetings of scrutiny Task Groups and the Member Support Steering Group.
- 6.5 A case has been submitted to the High Court by Hertfordshire County Council, the Association of Democratic Services Officers (ADSO) and the Lawyers in Local Government (LLG) challenging this position and arguing for the continuation of virtual meetings after the 7th May 2021. Members will be updated on the outcome of this process.
- 6.6 As the outcome of the legal challenge remains to be confirmed officers are ensuring that the Council is prepared for the potential return to meetings of committees in person. An officer working group has been established to discuss how best to organise physical meetings after 7th May 2021 whilst complying social distancing rules and government guidelines regarding the holding of Council meetings.

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& Standards Committee
2021**

15th April

**Member Support Steering Group and Constitutional Review Party
Update**

- 6.7 The Member Support Steering Group held a meeting on 2nd March 2021 to discuss the induction programme for Members due to be elected in May 2021. The Group has determined that training should be held virtually wherever possible.
- 6.8 The Group has also agreed to consider further information about the potential to webcast public committee meetings in future. The Group will be discussing this matter further at a meeting due to take place on 15th April 2021.
- 6.9 The Constitutional Review Working Party continues to meet on a regular basis and any recommendations arising from these meetings are reported to Council.

7. RISK MANAGEMENT

- 7.1 The main risks associated with the details included in this report are:
- Risk of challenge to Council decisions; and
 - Risk of complaints about elected Members.

8. APPENDICES and BACKGROUND PAPERS

There are no appendices.

**Audit, Governance
& Standards Committee
2021**15th April**9. REPORT SIGN OFF**

Department	Name and Job Title	Date
Portfolio Holder	Councillor David Thain, Portfolio Holder for Finance and Enabling	
Lead Director / Head of Service	Claire Felton, Head of Legal, Democratic and Property Services	
Financial Services	N/A	
Legal Services	Clare Flanagan, Principal Solicitor	
Policy Team (if equalities implications apply)	N/A	
Climate Change Officer (if climate change implications apply)	N/A	

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REDDITCH BOROUGH COUNCIL

Audit, Governance & Standards Committee

2021

15th AprilGRANT THORNTON – Sector Report and Audit Progress Update

Relevant Portfolio Holder	Councillor David Thain, Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted	-
Relevant Head of Service	Chris Forrester – Head of Finance and Customer Services
Report Author Chris Forrester	Job Title: Head of Finance and Customer Services Contact email: chris.forrester@bromsgroveandredditch.gov.uk Contact Tel: 01527 54252
Wards Affected	All Wards
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	An effective and sustainable Council
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Committee is asked to note updates as included in Appendix 1.

2. BACKGROUND**3. FINANCIAL IMPLICATIONS**

3.1 There are no financial implications arising out of this report.

4. LEGAL IMPLICATIONS

4.1 The Council has a statutory responsibility to comply with financial regulations.

5. STRATEGIC PURPOSES - IMPLICATIONS**Relevant Strategic Purpose**

Audit, Governance & Standards Committee 2021

15th April

- 5.1 The issues detailed in this report help to ensure that there is an effective and sustainable Council.

Climate Change Implications

- 5.2 There are no Climate Change implications arising out of this report.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

- 6.1 There are no Equality and Diversity implications arising out of this report.

Operational Implications

- 6.2 The report attached at Appendix 1 updates Members on the progress on work undertaken by Grant Thornton since the last Committee meeting. It sets out key audit deliverables and a sector update which includes a number of matters that are relevant to Local Government. It is also important to note that the report details a new approach to the value for money element of the audit.

- 6.3 The report attached at Appendix 1 updates Members on the progress on work undertaken by Grant Thornton since the last Committee meeting. It sets out key audit deliverables and a sector update which includes a number of matters that are relevant to Local Government. It is also important to note that the report details a new approach to the value for money element of the audit.

7. RISK MANAGEMENT

- 7.1 As part of all audit work the auditors undertake a risk assessment to ensure that adequate controls are in place within the Council so reliance can be placed on internal systems.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1 - Grant Thornton Report

Audit, Governance & Standards Committee 2021

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9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor David Thain, Portfolio Holder for Finance and Enabling	N/A
Lead Director / Head of Service	Chris Forrester – Head of Finance and Customer Services	April 2021
Financial Services	Chris Forrester – Head of Finance and Customer Services	April 2021
Legal Services	N/A	
Policy Team (if equalities implications apply)	N/A	
Climate Change Officer (if climate change implications apply)	N/A	

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Redditch Borough Council Audit Progress Report and Sector Update

Year ending 31 March 2020 & 2021

15 April 2021



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction

Your key Grant Thornton team members are:

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Engagement Lead

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Neil Preece

Manager

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This paper provides the Audit, Governance & Standards Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a summary of emerging national issues and developments that may be relevant to you as a local authority.

Members of the Audit, Governance & Standards Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk.

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at March 2021

Financial Statements Audit 2019/2020

We reported the Audit Findings from our audit of the 2019/20 financial statements to the Audit, Governance & Standards Committee on 1 March 2021. In our report we noted that there were areas of our audit which still needed completing. In the completion of that work we identified that the financial statements include a “Gain on Disposal” of £328k relating to proceeds from the sale of some land at the Alexandra Hospital. This land was not included in the fixed asset register and therefore the disposal has not been shown in the Property, Plant & Equipment note. While we have agreed the transactions, including receipt of the sale proceeds, to the ledger, this has raised questions about the completeness of the fixed asset register. We have asked Officers to demonstrate the completeness of the fixed asset register and this work is ongoing.

We are therefore still not in a position to be able to complete our audit and issue our opinion for 2019/20.

Financial Statements Audit 2020/2021

We have yet to begin our initial planning and interim work for the 2020/21 audit. We need to agree dates for this work, and for our audit of the financial statements themselves, following the completion of our 2019/20 audit.

Value for Money

The new Code of Audit Practice (the “Code”) came into force on 1 April 2020 for audit years 2020/21 and onwards. The most significant change under the new Code is the introduction of an Auditor’s Annual Report, containing a commentary on arrangements to secure value for money and any associated recommendations, if required.

The new approach is more complex, more involved and will make more impact. Before beginning work, we will discuss with you:

- Timing
- Resourcing
- Fees

Please see pages 8-10 for further details.

Other areas

Certification of claims and returns

We certify the Authority’s annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions (DWP). The certification work for the 2019/20 claim is still ongoing, and Officers have agreed an extension with DWP until the end of April 2021. The certification work for the 2020/21 claim has not yet begun and the Council has until the end of April 2021 to produce its draft claim.

We also certify the Authority’s annual Pooling of Housing Capital Receipts return in accordance with procedures agreed with the Ministry of Housing, Communities & Local Government (MHCLG). The certification work for the 2019/20 return was completed on 29 January 2021, in accordance with the MHCLG timetable. The certification work for the 2020/21 return has not yet begun.

Progress at March 2021 (cont.)

Meetings

We met with Finance Officers in March 2021 as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective. We also met with your Chief Executive in March 2021 to discuss the Authority's strategic priorities and plans.

Events

We provide a range of workshops, along with network events for members and publications to support the Authority. Your officers attended our Financial Reporting Workshop in February 2021, which helped to ensure that members of your Finance Team were up to date with the latest financial reporting requirements for local authority accounts.

Further details of the publications that may be of interest to the Authority are set out in our Sector Update section of this report.

Audit Fees

During 2017, PSAA awarded contracts for audit for a five year period beginning on 1 April 2018. 2020/21 is the third year of that contract. Since that time, there have been a number of developments within the accounting and audit profession. Across all sectors and firms, the Financial Reporting Council (FRC) has set out its expectation of improved financial reporting from organisations and the need for auditors to demonstrate increased scepticism and challenge and to undertake additional and more robust testing.

Our work in the Local Government sector in 2018/19 and 2019/20 has highlighted areas where financial reporting, in particular, property, plant and equipment and pensions, needs to improve. There is also an increase in the complexity of Local Government financial transactions and financial reporting. This combined with the FRC requirement that all Local Government audits are at or above the "few improvements needed" (2A) rating means that additional audit work is required.

For 2020/21 there are further significant changes in the scope of the work required including:

- the new approach to Value for Money.
- enhanced auditing standards for 2020/21: ISA 540 – Estimates; ISA 240 – Risks in respect of fraud; Revised ISA (UK) 700 Forming an opinion and reporting on financial statements.

MHCLG have acknowledged, via their response to the Redmond Review, that audit fees need to increase due to the additional work being undertaken by auditors and the pressure on the audit market. Funding of £15m is being provided to local government to cover these additional costs in 2020/21.

We are reviewing the impact of these changes on both the cost and timing of audits. We will discuss this with your s151 Officer, including any proposed variations to the Scale Fee set by PSAA Limited, and we will communicate fully with the Audit, Governance & Standards Committee through our audit plan.

As a firm, we are absolutely committed to meeting the expectations of the FRC with regard to audit quality and local government financial reporting.

Audit Deliverables

2020/21 Deliverables	Planned Date
Audit Plan We are required to issue a detailed audit plan to the Audit, Governance & Standards Committee setting out our proposed approach in order to give an opinion on the Authority's 2020/21 financial statements and the Auditor's Annual Report on the Authority's Value for Money arrangements.	TBC – awaiting conclusion of 2019/20 audit
Interim Audit Findings We will report to you the findings from our interim audit and our initial value for money risk assessment within our Progress Report.	TBC – awaiting conclusion of 2019/20 audit
Audit Findings Report We will agree with officers when the Audit Findings Report will be reported to the Audit, Governance & Standards Committee.	TBC – awaiting conclusion of 2019/20 audit
Auditors Report This is the opinion on your financial statements.	TBC – awaiting conclusion of 2019/20 audit
Auditor's Annual Report This Report communicates the key issues arising from our Value for Money work.	TBC – awaiting conclusion of 2019/20 audit

Sector Update

Authorities continue to try to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider local government sector and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below:

Public Sector

Local
government

The new approach to Value for Money

The nature of value for money work

Section 20 and 21 of the Local Audit and Accountability Act 2014 (the Act), require auditors to be satisfied that the body “has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources”. The auditor’s work on VFM arrangements is undertaken in accordance with the Code and its supporting statutory guidance. The Comptroller and Auditor General has determined through the 2020 Code and guidance that the key output from local audit work in respect of VFM arrangements is the commentary as reported in the Auditor’s Annual Report. It is therefore not a VFM arrangements ‘conclusion’ or an ‘opinion’ in the same sense as the opinion on the financial statements themselves. The Act and the Code require auditors to consider whether the body has put in place ‘proper arrangements’ for securing VFM. The arrangements that fall within the scope of ‘proper arrangements’ are set out in ‘AGN 03 Auditors’ work on VFM arrangements’, which is issued by the NAO. When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under three specified reporting criteria:

Financial sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services, including how the body:

- ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- plans to bridge its funding gaps and identifies achievable savings;
- plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;

- ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

Governance

How the body ensures that it makes informed decisions and properly manages its risks, including how the body:

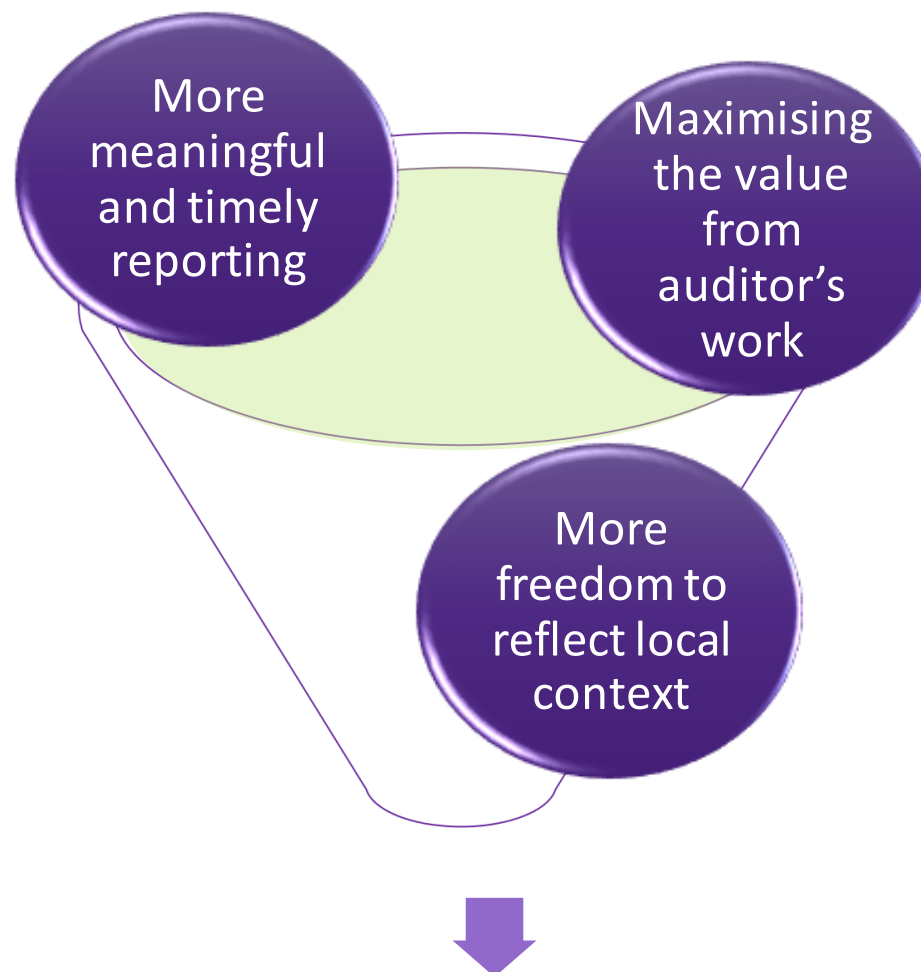
- monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- approaches and carries out its annual budget setting process;
- ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed;
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee; and
- monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests).

The new approach to Value for Money

Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services, including:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the body evaluates the services it provides to assess performance and identify areas for improvement;
- how the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve; and
- where the body commissions or procures services, how the body ensures that this is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits.



VFM arrangements commentary and recommendations

The new approach to Value for Money

The table below details what will be reported in the Auditor's Annual Report:

Section of report	Content
Commentary on arrangements	An explanation of the VFM work that has been undertaken during the year, including the risk assessment and any further risk-based work. It will also highlight any significant weaknesses that have been identified and brought to the body's attention. The commentary will allow auditors to better reflect local context and draw attention to emerging or developing issues which may not represent significant weaknesses, but which may nevertheless require attention from the body itself.
Recommendations	Where an auditor concludes that there is a significant weakness in a body's arrangements, they report this to the body and support it with a recommendation for improvement.
Progress in implementing recommendations	Where an auditor has reported significant weaknesses in arrangements in the previous year, the auditor should follow up recommendations issued previously and include their view as to whether the recommendations have been implemented satisfactorily.
Use of additional powers	Where an auditor uses additional powers, such as making statutory recommendations or issuing a public interest report, this should be reported in the auditor's annual report.
Opinion on the financial statements	The auditor's annual report also needs to summarise the results of the auditor's work on the financial statements.

The table below details the three types of recommendations that auditors can make. Auditors may make recommendations at any time during the year.

Type of recommendation	Definition
Statutory recommendation	Where auditors make written recommendations to the body under Section 24 and Schedule 7 of the Local Audit and Accountability Act 2014. A recommendation of this type requires the body to discuss and respond publicly to the report.
Key recommendation	Where auditors identify significant weaknesses in a body's arrangements for securing value for money, they have to make recommendations setting out the actions that the body should take to address them
Improvement recommendation	Where auditors do not identify a significant weakness in the body's arrangements, but still wish to make recommendations about how the body's arrangements can be improved

Revised auditing standard: Auditing Accounting Estimates and Related Disclosures

In the period December 2018 to January 2020 the Financial Reporting Council issued a number of updated International Auditing Standards (ISAs (UK)) which are effective for audits of financial statements for periods beginning on or after 15 December 2019. ISA (UK) 540 (revised): *Auditing Accounting Estimates and Related Disclosures* includes significant enhancements in respect of the audit risk assessment process for accounting estimates.

Introduction

Under ISA (UK) 540 (Revised December 2018) auditors are required to understand and assess an entity's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the entity's risk management process identifies and addresses risks relating to accounting estimates;
- The entity's information system as it relates to accounting estimates;
- The entity's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Audit, Governance & Standards Committee members:

- Understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- Oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- Evaluate how management made the accounting estimates?

Additional information that will be required for our March 2021 audits

To ensure our compliance with this revised auditing standard, we will be requesting further information from management and those charged with governance during our audit for the year ended 31 March 2021 in all areas summarised above for all material accounting estimates that are included in the financial statements.

Based on our knowledge of the Authority we have identified the following material accounting estimates for which this is likely to apply:

- Valuations of land and buildings, council dwellings and investment properties;
- Depreciation;
- Year end provisions and accruals;
- Valuation of defined benefit net pension fund liabilities; and
- Fair Value estimates.

The Authority's Information systems

In respect of the Authority's information systems we are required to consider how management identifies the methods, assumptions and source data used for each material accounting estimate and the need for any changes to these. This includes how management selects, or designs, the methods, assumptions and data to be used and applies the methods used in the valuations.

When the models used include increased complexity or subjectivity, as is the case for many valuation models, auditors need to understand and assess the controls in place over the models and the data included therein. Where adequate controls are not in place we may need to report this as a significant control deficiency and this could affect the amount of detailed substantive testing required during the audit.

If management has changed the method for making an accounting estimate we will need to fully understand management's rationale for this change. Any unexpected changes are likely to raise the audit risk profile of this accounting estimate and may result in the need for additional audit procedures.

We are aware that the Authority uses management experts in deriving some of its more complex estimates, e.g. asset valuations and pensions liabilities. However, it is important to note that the use of management experts does not diminish the responsibilities of management and those charged with governance to ensure that:

- All accounting estimates and related disclosures included in the financial statements have been prepared in accordance with the requirements of the financial reporting framework, and are materially accurate;
- There are adequate controls in place at the Authority (and where applicable its service provider or management expert) over the models, assumptions and source data used in the preparation of accounting estimates.

Estimation uncertainty

Under ISA (UK) 540 (Revised December 2018) we are required to consider the following:

- How management understands the degree of estimation uncertainty related to each accounting estimate; and
- How management addresses this estimation uncertainty when selecting their point estimate.

For example, how management identified and considered alternative methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the point estimate used.

The revised standard includes increased emphasis on the importance of the financial statement disclosures. Under ISA (UK) 540 (Revised December 2018), auditors are required to assess whether both the accounting estimates themselves and the related disclosures are reasonable.

Where there is a material uncertainty, that is where there is a significant risk of a material change to the estimated carrying value of an asset or liability within the next year, there needs to be additional disclosures. Note that not all material estimates will have a material uncertainty and it is also possible that an estimate that is not material could have a risk of material uncertainty.

Where there is material estimation uncertainty, we would expect the financial statement disclosures to include:

- What the assumptions and uncertainties are;
- How sensitive the assets and liabilities are to those assumptions, and why;
- The expected resolution of the uncertainty and the range of reasonably possible outcomes for the next financial year; and
- An explanation of any changes made to past assumptions if the uncertainty is unresolved.

How can you help?

As part of our planning risk assessment procedures we routinely make a number of enquiries of management and those charged with governance, which include general enquiries, fraud risk assessment questions, going concern considerations etc. Responses to these enquiries are completed by management and confirmed by those charged with governance at an Audit, Governance & Standards Committee meeting. For our 2020/21 audit we will be making additional enquiries on your accounting estimates in a similar way (which will cover the areas highlighted above). We would appreciate a prompt response to these enquiries in due course.

Further information

Further details on the requirements of ISA (UK) 540 (Revised December 2018) can be found in the auditing standard on the Financial Reporting Council's website:

[https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-\(UK\)-540_Revised-December-2018_final.pdf](https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-(UK)-540_Revised-December-2018_final.pdf)

Insight into accounting for grants in local government financial statements – Grant Thornton

The government has provided a range of financial support packages throughout the COVID-19 pandemic.

We have issued a brief bulletin aimed at helping local government bodies identify the key things they should consider when determining the accounting treatment for these grants in their financial statements for 2020/21.

There are no changes to the accounting treatment for grants as required by the CIPFA Code of Practice on Local Authority Accounting. What has changed, is the extent of additional funding to support the cost of services, to offset other income losses along with grant packages to be paid out to support local business. Local authorities need to consider the nature and terms of the various COVID-19 measures in order to determine whether there is income and expenditure to be recognised in the Comprehensive Income and Expenditure Statement in 2020/21.

The report highlights the factors to consider, including:

- Where the funding is to be transferred to other parties, is the authority acting as principal or as agent?
- Are there grant conditions outstanding?
- Is the grant a specific or non-specific grant?

Our bulletin provides you with links to further information on the various support packages and summarises features that may be relevant to your judgements as you determine the appropriate accounting treatment.

Local authorities need to demonstrate their judgements on the accounting treatment to be reasonable and soundly based and, where these have a significant effect on the accounts, to ensure they include sufficient disclosures to meet the requirements of IAS 1:122.

Please ask your audit manager for the full report:



Local government finance in the pandemic – National Audit Office

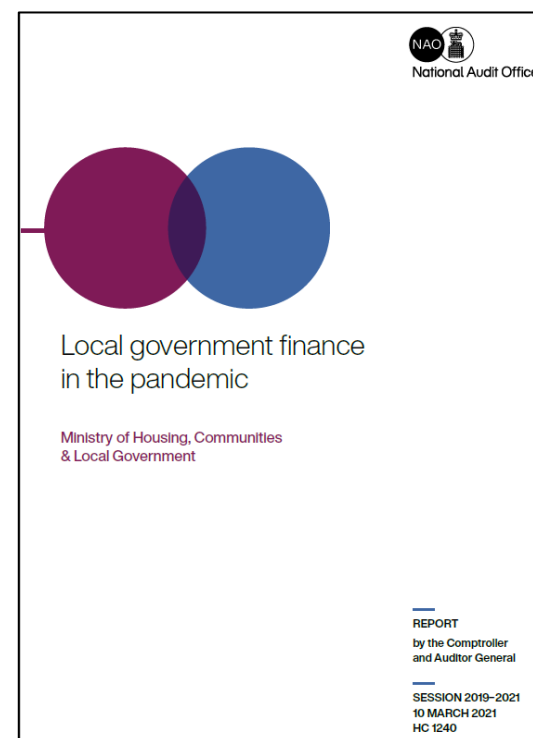
The National Audit Office (NAO) report, published in March, notes “The COVID-19 pandemic has been an unprecedented public health and economic emergency. Local authorities in England have made a major contribution to the national response to the pandemic, working to protect local communities and businesses, while continuing to deliver existing services. The pandemic has in turn placed significant pressure on local authorities’ finances, which in many cases were already under strain going into the pandemic.”

The NAO report examines if the Department’s approach to local government finance in the COVID-19 pandemic enabled it to assess and fund the costs of new services which local authorities have been asked to deliver. It also examines whether the Department fulfilled its responsibilities in securing financial sustainability across the sector.

The NAO report concludes “Steps taken by the government, led by the Department, have supported local authorities in the COVID-19 pandemic response. The Department’s successful monthly collection of data and continued intensive engagement with the sector provided a good evidence base to underpin the financial and other support provided by government. Action by the Department and wider government to support the sector has averted system-wide financial failure at a very challenging time and means that the Department has managed the most severe risks to value for money in the short term.

However, the financial position of local government remains a cause for concern. Many authorities will be relying on reserves to balance their 2020-21 year-end budgets. Despite continuing support into 2021-22 the outlook for next year is uncertain. Many authorities are setting budgets for 2021-22 in which they have limited confidence, and which are balanced through cuts to service budgets and the use of reserves.”

The NAO report found that “the combined impact on spending and non-tax income in 2020-21 is £9.7bn – equivalent to 17.6% of revenue expenditure. So far the government has announced £9.1bn of financial support, leaving a deficit of £605m.”



The full report can be obtained from the NAO website:

[Local government finance in the pandemic - National Audit Office \(NAO\) Report](#)

Good practice in annual reporting – National Audit Office

The National Audit Office (NAO) state that the guide, launched in February, “Sets out our good practice principles for good annual reporting and provides illustrative examples taken from public sector organisations who are leading the way in this area.”

The guide draws on examples of good practice from within each of the six sections of an Annual Report:

- Strategy
- Risk
- Operations
- Governance
- Measures of success
- Financial performance

The NAO also state that the guide “provides further examples where bodies have made their context more understandable to the reader through use of graphics and clear language and signposting.”

However, The NAO observe “Done well, reporting in the public sector enables the public and Parliament to understand – with ease and confidence – an organisation’s strategy and the risks it faces, how much taxpayers’ money has been spent and on what, and what has been achieved as a result.”

Further, the NAO note “The significant impacts of the pandemic emerged in the UK in mid-March 2020. This means that, for many organisations, the reporting impact will be greater in 2020-21 than in the prior year. Transparent annual reporting will help stakeholders understand the impact of COVID-19 on an organisation’s strategy, plans and operational and financial performance.”



The full report can be obtained from the NAO website:

<https://www.nao.org.uk/report/good-practice-in-annual-reports-february-2021/>

2019/20 audited accounts – Public Sector Audit Appointments

In December 2020 Public Sector Audit Appointments (PSAA) published figures relating to the audit of 2019/20 local authority financial statements.

PSAA report “Audit arrangements in local councils, police, fire and other local government bodies are continuing to exhibit signs of stress and difficulty. In the latest audit round, focusing on 2019/20 financial statements and value for money arrangements, fewer than 50% of bodies’ audits were completed by the revised target of 30 November.

Figures compiled by PSAA, the organisation responsible for appointing auditors to 478 local bodies, reveal that 55% (265) of audit opinions were not issued by 30 November. This is a further deterioration on 2018/19 audits when 43% of opinions (210 out of 486) were delayed beyond the then target timetable of 31 July.

This year’s timetable has been deliberately eased by Ministers in recognition of the underlying pressures on the audit process and the significant added complications arising from the Covid-19 pandemic. The pandemic has posed practical challenges for bodies in producing accounts and working papers, and for auditors to carry out their testing. Both sets of staff have had to work remotely throughout the period, and the second national lockdown came at a critical point in the cycle.

Questions and concerns about the potential implications of the pandemic for some bodies have meant that both finance staff and auditors have needed to pay particular attention to the financial position of each entity. Additionally, following a series of increasingly challenging regulatory reviews, auditors have arguably been more focused than ever on their professional duty to give their opinion only when they are satisfied that they have sufficient assurance.”



The news article can be found here:

[News release: 2019/20 audited accounts – PSAA](#)

CIPFA Financial Resilience Index

The Chartered Institute of Public Finance & Accountancy's (CIPFA) Financial Resilience Index is a comparative tool designed to provide analysis on resilience and risk and support good financial management.

CIPFA note "CIPFA's Financial Resilience Index is a comparative analytical tool that may be used by Chief Financial Officers to support good financial management, providing a common understanding within a council of their financial position.

The Index shows a council's position on a range of measures associated with financial risk. The selection of indicators has been informed by extensive financial resilience work undertaken by CIPFA over the past five seven years, public consultation and technical stakeholder engagement.

Section 151 officers may also use the index in their annual report to the council setting out the proposed budget for the year and medium-term financial strategy.

While the impact of COVID-19 resulted in a delay to the publication of the index, it is still able to provide a comprehensive pre-COVID baseline, illustrating the financial resilience of authorities as they entered the pandemic."

CIPFA found that "there was a real-terms reduction of £800m in the level of reserves in 2020 compared with the previous year. At the end of March 2020 council reserves levels stood at £24.6bn, around 3% lower than £25.4bn recorded at the same period in 2019."

CIPFA note "The index is made up of a set of indicators. These indicators take publicly available data and compare similar authorities across a range of factors. There is no single overall indicator of financial risk, so the index instead highlights areas where additional scrutiny should take place in order to provide additional assurance. This additional scrutiny should be accompanied by a narrative to place the indicator into context."



The Financial Resilience tool is available on the CIPFA website below:

<https://www.cipfa.org/services/financial-resilience-index-2021?crdm=0>



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Date: 15th April 2021

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

THE INTERNAL AUDIT PROGRESS REPORT OF THE HEAD OF INTERNAL AUDIT SHARED SERVICE; WORCESTERSHIRE INTERNAL AUDIT SHARED SERVICE.

Relevant Portfolio Holder	Councillor David Thain
Portfolio Holder Consulted	Yes
Relevant Head of Service	Chris Forrester, Financial and Customer Services
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non–Key Decision

1. SUMMARY OF PROPOSALS

1.1 To present:

- the monitoring report of internal audit work for 2020/21.

2. RECOMMENDATION

2.1 The Committee is asked to note the report.

3. KEY ISSUES

Financial Implications

3.1 There are no direct financial implications arising out of this report.

Legal Implications

3.2 The Council is required under Regulation 6 of the Accounts and Audit Regulations 2018 to “maintain in accordance with proper practices an adequate and effective system of internal audit of its accounting records and of its system of internal control”.

Service / Operational Implications

3.3 The involvement of Member’s in progress monitoring is considered an important facet of good corporate governance, contributing to the internal control assurance given in the Council’s Annual Governance Statement.

This section of the report provides commentary on Internal Audit’s performance for the period 01st April 2020 to 28th February 2021 against the performance indicators agreed for the service and further information on other aspects of the service delivery.

Date: 15th April 2021**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

Summary Dashboard 2020/21:

Total reviews planned for 2020/21	16 (minimum originally)
Reviews finalised to date for 2020/21:	9 (incl. St David's phase 1 & DFG's)
Assurance of 'moderate' or below:	4
Reviews awaiting final sign off:	5
Reviews ongoing:	2
Reviews to commence:	0
Number of 'High' Priority recommendations reported:	1
Satisfied 'High' priority recommendations to date:	0
Productivity:	70% (Q3 average against targeted 74%)
Overall plan delivery to date:	46% (against target >90%)

Since the last sitting of the Committee three reports have been finalised and are reported in Appendix 3.

Follow Up reports that have been finalised since the last Committee sitting are reported in Appendix 4.

All 'limited' assurance reviews go before CMT for full consideration.

2020/21 AUDITS ONGOING AS AT 28TH FEBRUARY 2021

Reviews that have been finalised since the last Committee include:

- Use of Agency and Consultants
- Health and Safety
- Benefits

Reviews progressing through clearance or draft report awaiting management sign off stage include:

- Council Tax (Draft)
- NNDR (Draft)
- Risk Management (Draft)
- Payroll (Clearance)
- Creditors (Clearance)

Reviews progressing through scoping and testing stages included:

- Main Ledger
- St David's (2nd phase)

The summary outcome of all the above reviews will be reported to Committee in due course when they have been completed and management have confirmed an action plan.

Date: 15th April 2021**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

A rolling testing programme on key core financial areas continued throughout quarters 2 and 3 inclusive. The rolling testing programme results are in the process of being amalgamated and formal audit reports being issued with any findings during quarter 4.

The 2020/21 plan reflected the delayed start and certain lesser risk reviews being rolled to next year's plan. Priority continues to be given to potentially higher risk areas e.g. limited assurance audits as well as the core financial areas. As the year progressed and a new normal started to emerge the impact of restrictions of the COVID-19 lockdown on the plan was closely managed. The plan for 2020/21 has remained very flexible and the core financial areas of the business are currently being reviewed and reported on. With progress set to continue to finalise those reviews currently being worked on the Head of Internal Audit will consider the output to provide an overall opinion at year end. Committee will continue to be regularly informed of developments. The variations to the plan have been overseen by the Head of Financial and Customer Services and s151 Officer.

Critical review audits are designed to add value to an evolving Service area. Depending on the transformation that a Service is experiencing at the time of a scheduled review a decision is made regarding the audit approach. Where there is significant change taking place due to transformation, restructuring, significant legislative updates or a comparison required a critical review approach will be used. In order to assist the service area to move forwards several challenge areas will be identified using audit review techniques. The percentage of critical reviews will be confirmed as part of the overall outturn figure for the audit programme. The outturn from the reviews will be reported in summary format as part of the regular reporting as indicated at 3.3 above.

Internal Audit are continuing to consider any new processes emerging from the extraordinary working arrangements that have been necessary to continue to provide the Redditch residents with services both now and throughout the pandemic. WIASS is starting to focus on the 2021/22 Internal Audit Plan to ensure assurance can be provided on these emerging areas.

Follow up reviews are an integral part of the audit process. There continues to be a rolling programme of review that is undertaken to ensure that there is progress with the implementation of the agreed action plans. The outcomes of the follow up reviews are reported in full so the general direction of travel and the risk exposure can be considered by Committee. An escalation process involving CMT and SMT is in place to ensure more effective use of resource regarding follow up to reduce the number of revisits necessary to confirm the recommendations have been satisfied. There are no material exceptions to report currently.

3.4 AUDIT DAYS

Appendix 1 shows the progress made towards delivering the 2020/21 Internal Audit Plan and achieving the targets set for the year. As at 28th February 2021 a total of 182 days had been delivered against an overall target of 400 days for 2020/21.

Date: 15th April 2021**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

Appendix 2 shows the performance indicators for the service. Performance and management indicators were approved by the Committee on the 27th July 2020 for 2020/21.

Appendix 3 provides copies of the reports that have been completed and final reports issued since the last sitting of Committee.

Appendix 4 provides the Committee with 'Follow Up' reports that have been undertaken to monitor audit recommendation implementation progress by management.

Appendix 5 provides an overview of the Quality Assurance Improvement Plan.

3.5 OTHER KEY AUDIT WORK

Much internal audit work is carried out "behind the scenes" but is not always the subject of a formal report. Productive audit time is accurately recorded against the service or function as appropriate. Examples include:

- Governance for example assisting with the Annual Government Statement
- Risk management
- Transformation review providing support as a 'critical appraisal'
- Dissemination of information regarding potential fraud cases likely to affect the Council
- Drawing managers' attention to specific audit or risk issues
- Audit advice and commentary
- Internal audit recommendations: follow up review to analyse progress
- Day to day audit support and advice for example control implications, etc.
- Networking with audit colleagues in other Councils on professional points of practice
- National Fraud Initiative coordination of uploads.
- Investigations

National Fraud Initiative

- 3.6 NFI data set uploads have been ongoing from the beginning of October for Redditch Borough Council regarding the 2020/21 NFI national exercise. The first phase of data set uploading continued until the end of December 2020. Reasonable progress had been made regarding the data set uploads with the majority completed before the deadline. As at the 31st December 2020 there remained outstanding data set uploads for the Creditors history and standing. For late uploads there was the potential for the NFI to apply a penalty fee. It has since been confirmed that due to the circumstances that all Authorities have faced over the last 12 months it would be inappropriate for the NFI to levy fines on this occasion. WIASS will continue to provide advice and assistance regarding the process.

Monitoring

- 3.7 Due to changing circumstances and the impact of the COVID-19 pandemic a variation in the plan was necessary. This was agreed on a risk priority basis with the s151 Officer

Date: 15th April 2021**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

as the year progressed. Discussions also took place at the December sitting of the Client Officer Group. With any adjustment to the plan it was imperative that reasonable audit coverage is achieved. The delivery of the 2020/21 plan and the revisions required have been closely monitored during the plan delivery to maximise forecasted requirements of resource – v – actual delivery. The Head of Internal Audit Shared Service remained confident his team would provide the required coverage for the year over the authority's core financial systems, as well as over other systems which have been deemed to be 'high' risk which has been achieved.

Quality Assurance Improvement Plan

- 3.8 WIASS delivers the audit programme in conformance with the International Standards for the Professional Practice of Internal Auditing (ISPPA) as published by the Institute of Internal Auditors. A self-assessment took place in August 2020 to identify potential areas for improvement and a programme of improvement was agreed before the Client Officer Group in September 2020. Action to the end of Q3 is reported for information at Appendix 5.

Customer / Equalities and Diversity Implications

- 3.9 There are no implications arising out of this report.
- 3.10 The Worcestershire Internal Audit Shared Service (WIASS) is committed to providing an audit function which conforms to the Public Sector Internal Audit Standards (as amended). WIASS recognise there are other review functions providing other sources of assurance (both internally and externally) over aspects of the Council's operations. Where possible we will seek to place reliance on such work thus reducing the internal audit coverage as required.
- 3.11 WIASS confirms it acts independently in its role and provision of internal audit.

4. RISK MANAGEMENT

- 4.1 The main risks associated with the details included in this report are:
- Failure to complete the planned programme of audit work within the financial year; and,
 - The continuous provision of an internal audit service is not maintained.

5. APPENDICES

Appendix 1 ~ Internal Audit Plan delivery 2020/21
Appendix 2 ~ Performance indicators 2020/21
Appendix 3 ~ Finalised audit reports including definitions.
Appendix 4 ~ 'Follow-up' reports
Appendix 5 ~ Quality Assurance Improvement Plan

Date: 15th April 2021

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

6. BACKGROUND PAPERS

Individual internal audit reports are held by Internal Audit.

7. KEY

N/a

AUTHOR OF REPORT

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Date: 15th April 2021

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

APPENDIX 1

Delivery against Internal Audit Plan for 2020/21
1st April 2020 to 28th February 2021

Audit Area	Original 2020/21 Plan Days	Forecasted days to the 31st March 2021	Actual Days used to 28th February 2021
Core Financial Systems (see note 1)	90	90	63
Corporate Audits	78	*42	40
Other Systems Audits (see note 2)	178	*68	51
SUB TOTAL	346	200	154
Audit Management Meetings	20	20	15
Corporate Meetings / Reading	9	9	5
Annual Plans, Reports and Audit Committee Support	25	25	8
Other chargeable			
SUB TOTAL	54	54	28
TOTAL	400	254	182

Note 1

Core Financial Systems are audited predominantly in quarters 3 and 4 in order to maximise the assurance provided for Annual Governance Statement and Statement of Accounts but not interfere with year end. A rolling programme has been undertaken for Debtors and Creditors to maximise coverage and sample size. The results are reported during Q4.

Note 2

Several budgets in this section are 'on demand' (e.g. consultancy, investigations) so the requirements can fluctuate throughout the quarters. If there is little demand for certain budgets this is reflected in the overall usage, however, it does not necessarily reduce the coverage of the plan.

* Where the forecasted days are less than the original planned days for the year this reflects the adjustments that have been made to the plan during the year.

Date: 15th April 2021

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Appendix 2

PERFORMANCE INDICATORS 2020/21

The success or otherwise of the Internal Audit Shared Service will be measured against some of the following key performance indicators for 2020/21. Other key performance indicators link to overall governance requirements of Redditch Borough Council e.g. KPI 4. The position will be reported on a cumulative basis throughout the year.

	KPI	Trend/Target requirement/Direction of Travel	2020/21 Position (as at 28 th February 2021)		Frequency of Reporting
Operational					
1	No. of audits achieved during the year	Per target	Target = 16 (Minimum originally) Delivered = 14 (incl.5 @ draft/clearance)	😐	When Audit Committee convene
2	Percentage of Plan delivered	>90% of agreed annual plan	46%	😐	When Audit Committee convene
3	Service productivity	Positive direction year on year (Annual target 74%)	70% (Q3 average) (Q2 average 63%) (Q1 average 50%)	😐	When Audit Committee convene
Monitoring & Governance					
4	No. of 'high' priority recommendations	Downward (minimal)	1 (2019/20 = 12)	😊	When Audit Committee convene
5	No. of moderate or below assurances	Downward (minimal)	4 (2019/20 = 11)	😊	When Audit Committee convene
6	'Follow Up' results	Management action plan implementation date exceeded (Nil)	Nil to report	😊	When Audit Committee convene
Customer Satisfaction					
7	No. of customers who assess the service as 'excellent'	Upward (increasing)	5 issued to date 2 returns 1x excellent 1x Good	😐	When Audit Committee convene

WIASs conforms to the Public Sector Internal Audit Standards (as amended).

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APPENDIX 3

2020/21 Audit Reports.

Appendices A and B can be applied to all the reports where applicable and are reproduced here to save duplication in the reports below.

APPENDIX A

Definition of Audit Opinion Levels of Assurance

Opinion	Definition
Full Assurance	<p>The system of internal control meets the organisation's objectives; all of the expected system controls tested are in place and are operating effectively.</p> <p>No specific follow up review will be undertaken; follow up will be undertaken as part of the next planned review of the system.</p>
Significant Assurance	<p>There is a generally sound system of internal control in place designed to meet the organisation's objectives. However isolated weaknesses in the design of controls or inconsistent application of controls in a small number of areas put the achievement of a limited number of system objectives at risk.</p> <p>Follow up of medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>
Moderate Assurance	<p>The system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet its objectives. Assurance can only be given over the effectiveness of controls within some areas of the system.</p> <p>Follow up of high and medium priority recommendations only will be undertaken after 3 to 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>
Limited Assurance	<p>Weaknesses in the design and / or inconsistent application of controls put the achievement of the organisation's objectives at risk in many of the areas reviewed. Assurance is limited to the few areas of the system where controls are in place and are operating effectively.</p> <p>Follow up of high and medium priority recommendations only will be undertaken after 3 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>
No Assurance	<p>No assurance can be given on the system of internal control as significant weaknesses in the design and / or operation of key controls could result or have resulted in failure to achieve the organisation's objectives in the area reviewed.</p> <p>Follow up of high and medium priority recommendations only will be undertaken after 3 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>

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APPENDIX B

Definition of Priority of Recommendations

Priority	Definition
H	Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. Immediate implementation of the agreed recommendation is essential in order to provide satisfactory control of the serious risk(s) the system is exposed to.
M	Control weakness that has or is likely to have a medium impact upon the achievement of key system, function or process objectives. Implementation of the agreed recommendation within 3 to 6 months is important in order to provide satisfactory control of the risk(s) the system is exposed to.
L	Control weakness that has a low impact upon the achievement of key system, function or process objectives. Implementation of the agreed recommendation is desirable as it will improve overall control within the system.

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Worcestershire Internal Audit Shared Service



Final Internal Audit Report

Critical Review – Use of Agency staff and consultants 2020-21

4th March 2021

Distribution:

To: Head of Finance and Interim Section 151 Officer
Team Leader – Contracts and Commercial
Procurement Officer
Senior Business Support Accounting Technician
Head of Business Transformation, Organisational Development and Digital Strategy
Human Resources & Development Manager

CC: Chief Executive
Deputy Chief Executive.

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4. Detailed Challenges	15
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1. Introduction

- 1.1 The Critical Review of the use of agency staff and consultants was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2020/21 as approved by the Audit, Governance and Standards Committee on 27th July 2020. The review was a critical review to analyse, evaluate and challenge the use of agency staff and consultants as operated by Redditch Borough Council.
- 1.2 This review relates to all corporate priorities and objectives.
- 1.3 The following corporate risk register entries were relevant to this review: -
 - COR 10 – Decisions made to address financial pressures and implement new projects that are not informed by robust data and evidence

The following service risk register entries were relevant to this review: -

 - Fin 4 - Fail to effectively manage high value procurements resulting in breach of EU procurement rules.
- 1.4 This review was undertaken during the months of July, August and September 2020.

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2. Critical Review Scope

- 2.1. This review has been undertaken to evaluate, analyse and challenge:
- The use of and adherence to procurement rules bringing in consultants.
 - The use of Matrix for the hiring of agency workers and if not then the correct procurement procedures and frameworks are being used.
 - Agency workers and consultants used since the Section 24 notice was given and during the pandemic to ensure these were used as part of critical service requirements.
- 2.2. The scope covered:
- Process of bringing in agency workers and consultants.
 - Monitoring of procurement projects around the hiring of agency staff and use of consultants.
 - Service Requirements
 - Budget analysis and monitoring
- 2.3. This review did not cover:
- Other types of procurement projects
 - The Due North - Pro-actis system functionality

3. Critical Review Overview and Executive Summary

- 3.1. As this is a critical review there is no level of assurance given.
- 3.2. During the review the auditor had meetings with multiple officers involved in the services across both Redditch Borough Council and Bromsgrove District Council to gain an understanding on the processes that are undertaken when bringing in agency workers or using consultants. Also, to gain an insight into what barriers may exist to prevent services following any procedure rules or processes. **(See Section 4 below)**
- 3.3. As part of the review the auditor also had meetings with multiple services to gain an understanding on what agency staff and consultants have been used since the Section 24 notice and what controls/monitoring are in place to ensure that the Councils are only working under business critical requirements.

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- 3.4 It Should be noted that although there was a section 24 notice in place that due to Covid-19 the authority needed to use additional agency staff to help support the services including Environmental Services, Customer Services, Housing and Repairs and Maintenance as these service are front facing and were serving the needs of the public during this time.
- 3.5 The review found the following areas were working well:
- Procurement training – there has been training sessions carried out in carrying out procurement exercises.
 - Service assessment of the requirement to fill the positions for both authorities prior to engaging agency staff includes: -
 - regulation requirement.
 - Risk assessment outcomes
 - how feasible it is for current staff to be able to carry out the work or if additional support is needed.
 - how feasible it is for current staff to do the work, based on current skill sets or if they require to bring in a specialist to aid the authority.
 - workflow and if it will meet the strategy for the authority and service plan.
 - On funds available to bring in additional resource.
 - Staffing resources are low and require fillers to ensure that business continuity is in place.
 - Adherence to the procurement rules and process of consultants -
 - Out of the five service areas that were spoken with, only 3 out of the 5 have used consultants in the last 5years, of which all three services, environmental services, legal services and planning have existing frameworks in place where they were able to find the necessary consultants to assist.
 - Service areas were aware of the procurement rules and understood that if they required a consultant that was outside of the existing frameworks, that they would be liaising with the procurement team and would carry out a procurement exercise using the procurement rules and guidelines, however this has not yet needed to happen.
- 3.6 There were some areas of the system that audit have challenged Management on:

Challenge	Section 4 Challenge number
Use of Matrix	1
Compliance with legislation	2
Budgetary and actual spends on agency and consultancy workers	3

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4. Detailed Challenges

The challenges identified during the review have been set out in the table below along with the related risks and management action plan.

Ref.	Current Position	Challenge	Risk	Management Responses
1	<p>Use of Matrix</p> <p>Redditch Borough Council and Bromsgrove District Council have an exclusive contract with Matrix. This means that under the current terms of the contract, service areas should only be bringing in agency staff via agencies that fall under the Matrix umbrella.</p> <p>The correct process for hiring agency staff through MATRIX should be that, service areas speak with their service manager for approval and liaise with HR for advice on the agency staff and skillset required and then once agreed, officers should then log a job on Matrix, this is done via a portal. Service areas should only be using agencies that are under their umbrella to seek the correct candidate to fill the roll on the terms set out by the authority for the period required.</p> <p>Matrix do look at the councils spend on the website to see if we are using other agencies.</p>	<p>1.) During the review it was found that not all processes are being adhered to, so can both Redditch Borough Council and Bromsgrove District Council provide assurance that there is a robust control in place to monitor the in-take of agency staff through Matrix, as well as the in-take of agency staff from agencies outside of Matrix including the use of exemption forms?</p> <p>2.) Is enough being done to assess if Matrix is fit for purpose and fits the needs of the Council to find and bring in agency staff who are skilled and qualified in the job role advertised?</p> <p>3.) Is there value for money within this contract especially considering the additional resources used by the Services to undertake their own groundwork in the identifying, and engaging of agency staff themselves? If not then is there evidence that the council is proactively challenging</p>	<p>Reputational damage and financial loss if the council is not compliant with contract terms and conditions requirements when using Agencies outside of Matrix.</p> <p>The Council can be bound by Agency terms and conditions for a number of years and finders' fees and penalty payments can be triggered inadvertently. Need whole organisation visibility of potential employees subject to historic agency T&Cs</p> <p>Reputational damage and possible</p>	<p>HR & OD Manager Comments</p> <p>The decision to continue with Matrix was taken at a Corporate level with a commitment from services to reduce their reliance on agency staff. The contract was extended on a plus 1 to allow the flexibility to review once the use and spend of agency staff is reflective of the requirement moving forward thus enabling a review of the actual requirements and not on a like for like basis.</p> <p>HR are clear with Managers that only Matrix can be used for agency staff</p> <p>There is a clear agreement with Matrix that if the contract is not providing the level or specialist staff required that they will source the required companies to extend the agencies available to us on Matrix. Issues need to be reported to HR to</p>

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	<p>However, the Councils face several barriers to using this agreement.</p> <p>1.) Specialist skills - all tested service mentioned that Matrix do not tend to have officers with specialist skillsets on their books and therefore the authority have to find these officers themselves.</p> <p>2.) Time - All tested service areas mentioned that although Matrix are paid to bring in the agencies and do the leg work, the service areas are finding that they have to do the leg work to find the correct agency staff and are also having to upload data on to the Matrix portal themselves.</p> <p>3.) Qualification / skillset - 3 out of the 6 tested services mentioned that when using matrix, candidates could be individuals who do not have the correct skillset stated in the requirements.</p> <p>4.) Agencies - 2 out of the 6 services reviewed mentioned that Matrix will not contact agencies outside of their umbrella and it is the authority that has to ask other agencies/candidates to sign up through Matrix.</p> <p>5.) Not engaging - 1 out of the 6 services mentioned that Matrix is not engaging enough with the service throughout the process.</p> <p>6.) Communication - It was learnt during the review that service areas are not reporting issues to HR about</p>	<p>matrix on its provision under the contract.</p> <p>4.) Have the Council considered the benefit of providing feedback surveys to staff on the use of Matrix to help the authority form a better working relationship with Matrix for future agency work hire and also to aid the authority with future contract specifications for the use of agency workers?</p> <p>5.) Has the authority looked at other avenues to support service areas with bringing in specialists especially when the Matrix contract ends?</p> <p>6.) As service areas need to bring in specialists from outside of Matrix, are both authorities able to provide assurance that there is the correct level of support in place to support services to go to other agencies if it provides value to the authority in enabling it to reach its goals?</p> <p>7.) As discussions with several service areas has raised concerns around Matrix not having specialists on their books, is the authority able to provide assurance that Matrix can find and provide specialists to aid the services deliver their service strategy?</p>	<p>compensation claims if the agency workers and consultants are not qualified to undertake the role they are employed for.</p>	<p>ensure this can be picked up with our account managers.</p> <p>Procurement Responses</p> <p>The Matrix contract needs to be managed to ensure they are fulfilling the requirements. Officers need to speak to Matrix if they are not getting the correct candidates through so they have the opportunity to resolve this, HR as contract managers should be involved also.</p> <p>There are other compliant contracts with other neutral vendors similar to Matrix available.</p> <p>Some agencies will not sign up to Matrix as they do not want to lose the large margins they achieve by signing up direct with the council. Matrix protects the council from this.</p> <p>Matrix provides candidates but it is ultimately for service areas to assess skills and qualifications before offering a placement.</p> <p>No whole organisation oversight of staff who have worked on temporary contracts outside of Matrix and may therefore trigger fees if re-employed.</p>
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	issues with Matrix which means that the barriers are not be resolved.			
2	<p>Compliance with Legislation</p> <p>Adherence to the procurement rules and process of agency staff</p> <p>As part of the review a sample testing was carried out on various service areas to ensure that any agency staff being brought in for use falls in line and adheres to the procurement process of the terms and conditions of the contract set up with MATRIX.</p> <p>Although all services are set up on MATRIX there have been occasions where agency staff were brought in via other agencies directly and not through MATRIX. This occurred mainly where a specialist was required that could not be found via MATRIX. In these cases the service found that they had to do the leg work. Also if they happened to use another means to the company MATRIX, an exemption was not always signed or put in place and that legal and procurement were unaware until an issue presented itself.</p> <p>It is acknowledged that over the last 5 years things have improved across the authority as now if the authority requires a specialist, they would ask the agency to communicate with Matrix directly. However there have</p>	<p>1.) Following discussions with service areas there were instances learnt where services over the last 5 years have not been adhering to the procurement process. Therefore, can the authority provide assurance that there is a sound control in place to investigate weaknesses in the system?</p> <p>2.) Are both authorities able to provide assurance that if service areas are not following the correct procedure rules for using agency staff and consultants that there are sanctions set up and in place to mitigate the risks to the authority?</p> <p>3.) Is the Council undertaking enough monitoring of the length of service of agency workers to ensure that they do not breach Council and government (HMRC) rules.</p> <p>Challenges around Section 24 notice</p> <p>4.) Since the section 24 notice was given, there was an employment freeze unless it is business critical, is the authority able to give assurance that it is confident that all services would have</p>	<p>Reputational damage and financial loss if the council is not compliant with procurement and legislative requirements when using Agency workers and consultants.</p>	<p>HR & OD Comments</p> <p>HR are clear that we will not support Managers accessing agencies outside of Matrix</p> <p>HR have no knowledge if Managers go to other agencies, this block needs to be in place and service and HOS level to ensure order / invoices are not approved.</p> <p>Procurement Comments</p> <p>Any staff used outside of Matrix is a breach of the contract procedure rules and a breach of the Matrix contract.</p> <p>No process for legal review of agency terms and conditions outside of Matrix</p> <p>All relevant staff should have attended Procurement Training in the past year and should be aware of the Procurement Rules. Future procurement training should directly address the issue of temporary staff.</p>

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<p>been instances where staff were brought in outside of Matrix in the last year.</p> <p>Currently there are several members of staff who work for the council as an agency worker, however in line with Government legislation if a temp is not provided a contract at the end of their existing contract of 1 or 2 years, then the authority needs to show that there is a fair reason for not renewing the contract. If staff have worked for more than 4 years then they should automatically become a permanent employee.</p> <p>The review found that contracts have been rolled forwards consistently and contracts have not been offered to make staff full time employees.</p> <p>Procurement process for use of agency staff</p> <p>Currently both Redditch Borough Council and Bromsgrove District Council are under an exclusive contract with the company MATRIX who are responsible for providing the authority all agency staff. Under the current procurement rules and as part of the terms and conditions of the existing contract service areas should follow the procurement process of the contract with MATRIX and should not</p>	<p>a full understanding of what business critical entails especially in the current times with COVID-19.</p>		
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	<p>be signing any new agency staff via anyone other than MATRIX.</p> <p>If another agency signed up to Matrix and then was used by the authority, then it would be deemed as appropriate as the authority would still be using Matrix. Under the current procured contract, exemptions should not be given in any circumstance and all other 3rd party agencies must be set up via Matrix before being used. This would mean that the 3rd party agency is required to have a contract set up with Matrix directly and not the authority.</p>			
3	<p>Budgetary and actual spends on agency and consultancy workers</p> <p>Monitoring the use of consultants</p> <p>As part of the review discussions were held with several service areas to understand how they would monitor the in-take and use of consultants and monitor the budget spent.</p> <p>During the review conversations were held with procurement and six service areas including Legal, Planning, Customer services, Environmental Services, Repairs and Maintenance and Housing.</p> <p>The review found that: -</p>	<p>Challenges</p> <p>1.) If there is no consistency in the recording of actual expenditure on agency workers and consultants how is the Council ensuring that it is being fully transparent with its expenditure for these cost areas? Would it not be better to have a cost code for these areas even if there is no budget allocation so that there could be full monitoring and transparency especially with the current S24 and the need to reduce the costs of the council now and in the coming years. As there have been limitations within the current financial system is this</p>	<p>Reputational damage and financial loss with savings under S24 not being achieved if the council is unable to effectively monitor the costs of using agency workers and consultants.</p>	<p>Finance Comments: -</p> <p>The finance team will encourage with budget holders on monthly and quarterly budget monitoring that the dedicated account code for agency workers is monitored and reviewed along with the relevant budget manager. It is also expected when the new ERP finance system is implemented budget holders will be able to see live expenditure and therefore able to monitor more efficiently any mis coded and/or expected agency expenditure immediately rather than relying on current spreadsheets sent monthly.</p>

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<p>1.) 4 out of the 6 tested service areas are using consultants. 2.) All services which are using consultants or specialists are currently part of existing frameworks. 3 All call offs from frameworks and contracts must be registered on the proactis (Due north) system. There are also two copies of the contract. One is held by procurement for monitoring and the other is held by the service area. 4.) 2 out of the 4 service areas which use consultants have a budget in place to forecast how much will be spent for consultant usage. 5.) The remaining 2 service areas (Planning and Legal) have a budget designated for consultants, but do not have a fixed yearly budget as they may require specialists on an ad-hoc basis. To reduce the risk, they have regular discussions with the designated accountant for the service area.</p> <p>Monitoring of in-take of agency staff As part of the review discussions were held around how in general the council and service areas within the council are monitoring the in-take of agency staff and how the contracts of agency workers are monitored to ensure that the council is compliant.</p> <p>It was learnt that corporately: -</p>	<p>something that is being considered and implemented for the new financial system?</p> <p>2.) How is the Council able to fully monitor its reliance on the provision of agency workers and the use of consultants in order to review this expenditure with the aim to reduce future costs.</p> <p>3.) Can the authority provide assurance that if they are using an incorrect cost code that there is a clear audit trail in place in case of challenge?</p> <p>4.) As consultants and agency staff are paid a higher rate to work in comparison to full time staff, is the authority able to provide assurance under the Section 24 notice, that agency staff and consultants are only brought in as an absolute last resort when other avenues have been explored?</p> <p>5.) With certain service areas requiring specialists to be able to do the job role this has caused some issues with employing permanent employees into the role. Is the council confident that it has explored all avenues e.g. market supplements, benefits packages etc while still complying with the councils current pay model and terms and conditions of employment, in order to address this and ensure that the</p>		<p>Procurement comments: -</p> <p>There is a cost code for agency staff, but query whether it is used consistently or appropriately?</p>
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<p>1.) Business cases are taken forward as an agenda item for in-takes of agency staff in front of CMT and agreed or agreed in committee if there is a bigger purpose to bring in a higher volume of agency workers.</p> <p>2.) If agency staff are hired through MATRIX then HR would be able to monitor the in-take of staff through agencies that come under MATRIX umbrella.</p> <p>3.) If service areas bring in agency staff from places other than MATRIX then there is more risk associated as the HR team are not able to monitor the contract and often it is too late by the time procurement are aware to prevent any legal/financial implications to the authority.</p> <p>During the review audit carried out discussions with 6 different service areas including Legal, Planning, Customer services, Housing, Repairs and Maintenance and Environmental services. From the review it was found that out of 6 tested services: -</p> <p>1.) 5 out of 6 service areas have used agency staff in the last 5 years.</p> <p>2.) Out of those 5 services, all 5 would hold conversations with HR to gain advice and make them aware of any new agency recruits signed through MATRIX.</p> <p>3.) 3 out of the 5 services tend to talk to procurement about using agency staff and gain advice.</p>	<p>6.) Council is using the most cost effective method of providing a service to the Public.</p> <p>During the review it was found that the controls for bringing in agency staff should be that the head of service signs it off and then it goes to CMT for approval. However, as it was learnt during the review that some services have gone to agencies outside of Matrix, can the authority provide the assurance that CMT are aware of services going to other agencies outside of Matrix?</p>		
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	<p>4.) All of the service areas would look at the service requirements and present a business case to their head of service, where they would then sit with head of finance to see if there can be a budget in place to bring in an agency member.</p> <p>5.) 4 out of the 5 services that use agency staff have a dedicated cost codes for using agency staff, whilst the remaining service uses staff salary cost code, which means that there is a gap in the audit trail of tracking financial analysis.</p> <p>6.) It was admitted that some agency staff have been working for the council for more than 12 months (12 weeks without a finder's fee) and not offered a full-time contract, so there is a weakness in the monitoring of staff from a service perspective. As well as this there is risk that the authority is breaching IR35 and is at risk of repaying the tax savings that the authority made.</p> <p>7.) All service stated that if they were to take up new consultants they would liaise and sit with procurement to set up a new consultant through procurement rules. Each service also stated that they have received training on how to conduct appropriate procurement projects.</p> <p>Section 24 notice – intake of consultants and agency workers</p>			
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	<p>Since the Section 24 notice was given, there has been an in-take of agency staff and consultants to help support the services within the authority to carry out day-to-day duties and give professional advice.</p> <p>Currently Agency staff and consultants that are brought in have to be both signed off by the head of service and also agreed at CMT prior to being used.</p> <p>Budget monitoring is down to the individual service areas to monitor and all services have been given their own unique cost code for agency staff and consultants to be put on.</p> <p>However, not all service areas are using the correct budget code when using agency staff and are posting agency staff costs to the same cost codes as full-time staff, which means there is no clear audit trail. (clear to budget case)</p> <p>During the review the authorities were going through a difficult time with the COVID-19 pandemic and front-line services have needed to bring in agency staff to support those services deemed as business critical.</p>			
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5. Overall Conclusion

The Critical review looked at the process of bringing in agency workers and consultants and monitoring of procurement projects at both Redditch Borough Council and Bromsgrove District Council. The review also looked at the Matrix contract and the barriers that are preventing service areas from hiring agency staff through Matrix.

Although it can be noted that in the last 5 years since the last internal audit report was carried out there have been improvements to the procurement process in using agency staff and consultants and service areas are aware of the correct processes that needs to be undertaken after procurement training was carried out to help services understand the correct procedures that they should be adhering to.

However the review has identified some risks still remain for example when a specialist is required Matrix has not always been able to provide a satisfactory candidate therefore service areas have had to go to other agencies to find the required agency worker with the specialist skillsets. and that Procurement have not always been aware of this unless an issue presented itself. Therefore, challenges have been made on how fit for purpose and value for money the Matrix contract is and going forward if this is the best solution for the Council's when hiring Agency Workers.

6. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms with the Institute of Internal Auditors Public Sector Internal Audit Standards as amended and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the review no non-audit or audit related services have been undertaken for the Council within this area.

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Worcestershire Internal Audit Shared Service



Bromsgrove
District Council
www.bromsgrove.gov.uk

Final Internal Audit Report

Health and Safety Training Records 2020/21

15th March 2021

Distribution:

To: Senior Health and Safety Advisor
Human Resources and Development Manager
Head of Transformation and Organisational Development

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

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1. Introduction

The audit of Health and Safety Training Records was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2020/21 as approved by the Audit, Governance and Standards Committee on 27th July 2020 and for Bromsgrove District Council as approved by the Audit, Standards and Governance Committee on 5th March 2020. The audit was a risk based systems audit of Health and Safety Training Records as operated by Redditch Borough Council and Bromsgrove District Council.

- 1.1. This area of review is fundamental to all areas within the Corporate priorities as corporate health and safety and well-being is a statutory requirement.
- 1.2. The following Corporate risks were relevant to this review:
 - Non-compliance with Health and Safety Legislation

The following Service Risks were relevant to this review:

- Failure to be pro-active on Health and Safety Matters
- Failure to adequately manage health & safety
- Failure to ensure the health & safety of the Public / Staff and visitors using services

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1.3. This review was undertaken during the months of October 2020 – January 2021.

2. Audit Scope and objective

- 2.1. This review has been undertaken to provide assurance that the policy and process surrounding health and safety, specifically health and safety training, including identification of required training, deployment of training for both new and existing employees and the maintenance of training records. In addition an assessment of the impact of Covid-19 on the recommendations that remain outstanding from the 2018-19 Health and Safety report along with the remaining risks.
- 2.2. The scope covered:
- Health and safety training policies and adherence thereto
 - Identification and monitoring of training (including where staff have been redeployed)
 - Deployment of training
 - Maintenance of records.
 - Remaining recommendations from the 2018-19 Health and Safety report.
- 2.3. This reviewed covered policies and procedures in place at the time of the audit.
- 2.4. This review did not cover:
- Risk assessment and risk management in relation to Health and Safety.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

3. Audit Opinion and Executive Summary

- 3.1. From the audit work carried out we have given an opinion of **moderate assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.
- 3.2. We have given an opinion of **moderate assurance** in this area because the system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet its objectives. Assurance can only be given over the effectiveness of controls within some areas of the system.
- 3.3. The review found the following areas of the system were working well:
- Progress on the recommendations included in the 2018/19 Health and Safety Report
 - Management Review of Health and Safety Policies
 - Budget management via Bid System
 - Progress towards defining management responsibilities for identifying training
 - Delivery of training via expected means e.g. face to face, E-learning etc.
- 3.4. The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section 4 Recommendation number
Training Records and subsequent limitations	High	1

- 3.5. One area to also note is in regard to the collation and monitoring of information relating to temporary redeployment. The audit confirmed that there was no corporate understanding of the number of Officers redeployed at any one time during the pandemic. A lessons learned would be that the collation of this information would allow in future times of redeployment to monitor services that are the most deeply affected, if there is a continual resourcing issue, and if the staff redeployed are the most suitable for the role.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

4. Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Management Response
New matters arising from 2020/21 audit testing					
1	H	<p>Training Records and subsequent limitations</p> <p>The diverse nature of the information repositories used to store training records are creating inefficiencies and leading to unmitigated risk in relation to the effective, purposeful, monitoring and tracking of the Authorities training in relation to Health and Safety (and other training areas).</p> <p>Positive assurance could not be given over the timely deployment of training courses. This is due to the lack of a centrally held training records system that can provide accurate reporting on any individuals training record, the frequency of delivery of training and the percentage completion of training of applicable candidates.</p> <p>A training system does exist, but the reporting functionalities seen during the audit are limited in scope and do not provide useable reports to achieve the metrics expected as outlined above. It also provides limited confidence in the accuracy of the information contained with varying numbers of officers recorded as</p>	<p>Failure to identify and monitor training and training needs for officers throughout the authority leading to:</p> <ul style="list-style-type: none"> Failure to evidence conformance with health and safety legislation, and, Lack of efficiency when delivering training courses (e.g. grouping training possibilities) <p>potentially leading to reputational risk and possible financial loss through fines.</p>	<p>In addition to the abilities afforded following the implementation of the new system, a designated responsibility for training records should be established to allow the centralisation of training records, to allow reporting abilities to be utilised.</p> <p>Furthermore, a forum/communication line between service managers, training records teams and Health and Safety should be established to allow the updating of any training completed to be promptly recorded on the sole, centrally held training record system. This would also allow the frequency of training to be set within the system to</p>	<p>Responsible Manager:</p> <p>Human Resources Manager</p> <p>Implementation Date:</p> <p>November 2021</p> <p>Management Response:</p> <p>Following the implementation of the new system it will be a requirement that all training will be recorded on the system to include training coordinated corporately and at service levels.</p> <p>Training will be required in service areas if they are the training administrators for their specific area.</p> <p>The system will generate reminders to Managers, Employees and HR when renewal dates are approaching.</p>

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		<p>completing what is deemed mandatory training, for example recording 18 officers only completing the Display Screen Equipment training, despite an obviously larger number of officers regularly accessing laptops and/or desktop PC's.</p> <p>Testing did also identify a number of locally held records for Environmental Services and Housing Repair and Maintenance, these again held no consistent data and could not be used to identify any individuals training records accurately with large gaps in fundamental training courses and outdated training records.</p>		<p>prompt the delivery of refresher courses.</p>	
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5. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms with the Institute of Internal Auditors Public Sector Internal Audit Standards as amended and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the audit no non-audit or audit related services have been undertaken for the Council within this area of review.

Head of Internal Audit Shared Services

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Worcestershire Internal Audit Shared Service



Bromsgrove
District Council
www.bromsgrove.gov.uk

Final Internal Audit Report

Benefits 2020/21

05/03/2020

Distribution:

To: Customer Support Manager
Head of Finance and Customer Services
Chief Executive

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

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1. Introduction

The audit of the Benefits system was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2020/21 approved by the Audit, Governance and Standards Committee on 27th July 2020 and for Bromsgrove District Council as approved by the Audit, Standards and Governance Committee on 5th March 2020. The audit was a risk based systems audit of the Benefits system as operated by Redditch Borough Council and Bromsgrove District Council.

1.1. This review relates to the strategic purposes of:

- BDC Plan 2019-23: Strategic Purpose - Work and Financial Independence. Priorities - Financial Stability.
- RBC: Plan 2020-24: Strategic Purposes - Aspiration, Work & Financial independence

1.2. The following Service risks were relevant to this review:

- BEN 1 Fail to adequately resource the service to meet the demand.
- BEN 3 Impact of Welfare Reform Act
- BEN 4 Impact of Introduction of Local Council Tax Scheme
- BEN 6 Impact of ELF Scheme

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- BEN 7 Benefits Subsidy
- BEN 9 Failure to meet audit requirements
- BEN 10 Risk Based Verification
- BEN 11 Failure of Corporate Fraud and Compliance Team
- REV 6 Fail to make a timely decision (political direction) to manage changes to the Council Tax Support Scheme
- REV 9 Impact of introduction of Local Council Tax Scheme

1.3. This review was undertaken during the month(s) of November and December 2020.

2. Audit Scope and objective

2.1. This review has been undertaken to provide assurance on the procedures, policies and performance management in relation to the Benefits system with focus on the impact of the Covid-19 Pandemic and the subsequent shift to agile working and the digital by default approach, Test and trace payments and the Housing Benefit Award Accuracy Initiative. The progress on the development of the new Council Tax Reduction Scheme in preparation for April 2021 was also reviewed.

2.2. The scope covered:

- A review of the updated position in relation to the 2019/20 audit recommendations.
- Compliance with internal processes and external legislation to allow the prompt and accurate processing of new claims and changes of circumstance.
- The process of recovery, including the classification of overpayments and its effect on subsidy.
- Progress on new Council Tax Reduction Scheme in preparation for April 2021.
- Test and Trace Payments
- Housing Benefit Award Accuracy Initiative.
- Impact of Covid-19, agile working and digital by default approach.

2.3. This review covered the period from April 2020 to the date of the audit.

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3. Audit Opinion and Executive Summary

- 3.1. From the audit work carried out we have given an opinion of **significant assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.
- 3.2. We have given an opinion of **significant assurance** in this area because there is a generally sound system of internal control in place designed to meet the organisation's objectives. However isolated weaknesses in the design of controls or inconsistent application of controls in a small number of areas put the achievement of a limited number of system objectives at risk.
- 3.3. The review found the following areas of the system were working well:
- Compliance with external and internal legislation for prompt and accurate processing of new claims and change of circumstances
 - Monitoring of subsidy
 - Progress on the new Council Tax Reduction Scheme for 2021/22
 - Test and Trace payments
 - Progress on the Housing Benefit Accuracy Award Initiative
 - Adaption to Covid-19 and agile working.
- 3.4. The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section 4 Recommendation number
Reconciliations	Medium	1

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4. Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Management Response:
Issues brought forward from previous audit					
1	M	<p>Reconciliations</p> <p>Ongoing pressures on the Finance team due to the Covid-19 pandemic has meant the finding in the 2019/20 Benefits report has not been adequately addressed. It should be noted progress has been made on ensuring a check is performed that confirms the ledger figures are accurate with all weeks recorded.</p> <p>However, the reconciliation between the BACS documents and the Benefits system in the original finding was still not being undertaken. Discussions have been held and the method of how this reconciliation can be performed has now been identified with an aim to implement by January 2021.</p>	There is the potential for errors, omissions and fraud to go undetected.	Reconciliations are performed for each benefit payment run, reconciling the output report to the BACS payment file to identify any discrepancies.	<p>Management Response: As per the audit findings, the impact of covid, particularly in this area, has had a major impact on the teams ability to implement the recommendation. As the situation is "stabilising" now with the workloads and demands these will be put in place and undertaken.</p> <p>Implementation Date: 30/04/2021</p> <p>Responsible Manager: Customer Support Manager in conjunction with Finance</p>
New matters arising					
No matters to raise from the work undertaken in 2020/21					

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5. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms to the Institute of Internal Auditors Public Sector Internal Audit Standards as amended and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the audit no non-audit or audit related services have been undertaken for the Council within this area of review.

Head of Internal Audit Shared Services

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

APPENDIX 4

FOLLOW-UP REPORTS:

Since the last Committee sitting follow ups have been taking place as part of the core financial reviews undertaken with the results being reported as part of the outcomes.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

APPENDIX 5

Quality Assurance Improvement Plan.

Action Number	Area for Action and Standards Reference	Outcome Required	Action	Lead person	Target Date for completion	Date of Completion	Position as at end of Q3
1	1000	Updated Charter and Partner approval.	To review and update as appropriate, and present to COG and Partner Committees for approval.	Head of Internal Audit & Team Leader	Sep-21 (Annual Reports)	To commence	December 2020: To be prepared for the July/Sept 2021 Cttee cycle.
2	1210.A1 - Training Requirements	Professional qualifications to be obtained.	Auditors to enhance their skills and qualifications through professional study e.g. IIA	Auditors	2023/24	Ongoing	December 2020: An Auditor is seeking Membership to IIA.
3	2420 - Timely Completion of Review Stages	Improvement in issuing the 'Draft Report' to the agreed date as set out in the Brief. To make improvements in the monitoring of the management response after the issue of a Draft Report.	Monitor the issue of Draft Reports and the receipt of management response during the financial year taking appropriate and timely action where the target dates are stressed.	Auditors	Mar-21	Ongoing	December 2020: Being monitored
4	2500.A1 - Follow Up	More efficient and timely follow up in regards to reported management action plans.	To review and enhance the follow up process, and monitor progress to reduce potential slippage.	Audit Team Leader	Mar-21	Ongoing	December 2020: Being monitored and discussed as 1:2:1s
5	2010.A1 - Annual Risk Assessments	More effective implementation of Annual Risk Assessments into the annual planning and use within individual audits.	To review the current process of using the annual risk assessments and how inclusion into annual planning and audit planning can be improved.	Head of Internal Audit / Audit Team Leader	Nov-20	Complete 30 th November 2020	All office risk assessments have been reviewed. Risk assessments have been drafted for COVID associated office risks when visiting Partner offices. Home risk assessments have been completed.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

							Actions identified have been completed.
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REDDITCH BOROUGH COUNCIL

Audit, Governance & Standards Committee 2021

15th AprilCovid Grants update

Relevant Portfolio Holder		Councillor David Thain, Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted		-
Relevant Head of Service		Chris Forrester – Head of Finance and Customer Services
Report Author Chris Forrester	Job Title: Head of Finance and Customer Services Contact email: chris.forrester@bromsgroveandredditch.gov.uk Contact Tel: 01527 54252	
Wards Affected		All Wards
Ward Councillor(s) consulted		No
Relevant Strategic Purpose(s)		An effective and sustainable Council
Non-Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		

1. RECOMMENDATIONS

The Committee is asked to note the updated position with regards to covid grants.

2. BACKGROUND**3. FINANCIAL IMPLICATIONS**

3.1 There are no financial implications arising as set out in this report.

4. LEGAL IMPLICATIONS

4.1 The Council has a statutory responsibility to comply with financial regulations.

5. STRATEGIC PURPOSES - IMPLICATIONS**Relevant Strategic Purpose**

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- 5.1 The issues detailed in this report help to ensure that it is possible to run and grow a successful business in Redditch. The content of the report details how the council is managing and making payments in line with guidance from central government and in keeping with locally approved schemes.
- 5.2 In response to the Covid-19 pandemic Government has tasked local authorities with the administration of several schemes of business support the support has been delivered in three phases.
- 5.3 Phase one of the support package was announced in the budget of 12th March 2020 and provided four broad schemes of support:
- a) Expanded Retail Discount: a 100% discretionary business rates relief for retail, hospitality, and leisure premises.
 - b) Nursery Discount: a 100% discretionary business rates relief for nurseries and early years learning providers.
 - c) Small Business Grant Fund (SBGF): a business support grant of £10,000 for businesses eligible for small business rates relief, or rural rate relief.
 - d) Retail, Hospitality and Leisure Grants (RHLG): a business support grant of £10,000 or £25,000 for businesses which were eligible for expanded retail discount.
- 5.4 The phase one response was enhanced by the later provision of additional funding for a Local Authority Discretionary Grant Fund (LADGF) a discretionary fund to support business which were excluded from SBGF and RHLG.
- 5.5 In phase two of the response Government announced schemes of support for businesses that would be impacted by closures or restrictions that were in place because of the local covid alert level. The schemes of support would be dependent on:
- i) the sector in which a business was operating.
 - ii) whether the business could remain open but would be impacted by restrictions; and
 - iii) whether the business was required to close by law.
- The schemes would be called Local Restriction Support Grants (LRSG) and there were three categories of support:

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- a) LRSB (Sector): a grant for business which had been required to remain closed since 23rd March 2020
- b) LRSB (Open): a grant for businesses which during tier 2 or tier 3 restrictions could remain open but were significantly impacted by restrictions on socialising. There are two iterations of the scheme and the date of restrictions will determine which scheme is applicable.
- c) LRSB (Closed): a grant for business which were required by law to close during tier 2, 3, 4 or national restrictions. There are five iterations of the scheme and the date and level of restrictions will determine which scheme is applicable.

- 5.6 The phase two response included a fund named the additional restrictions grant (ARG) which was intended to provide local authorities with the means to create discretionary schemes of support for businesses impacted by restrictions. The ARG was to be paid to local authorities when they entered tier 3 restrictions and would be a one-off fund to enable support to be provided up to 31st March 2022. The initial Government announcement stated that the fund would not be topped up.
- 5.7 The phase two response was later increased with the creation of the Christmas Support Payment for Wet-Led pubs (CSP). A one off payment of £1,000 which would be provided to qualifying pubs which were subject to tier 2 or tier 3 restrictions between 2nd December 2020 and 29th December 2020.
- 5.8 When national restrictions were announced in January 2021 the phase two response was enhanced with the creation of a Closed Business Lockdown Payment (CBLP) a one of grant for businesses that would be subject to closure from 5th January. The announcement of CBLP also included a statement that ARG would be topped-up with £500m in additional support to be shared by local authorities.
- 5.9 The 3rd of March 2021 budget contained the phase three response; within phase 3 local authorities will be providing four forms of support

Expanded Retail Discount: 100% business rates discount will continue until 30th June at which point it will reduce to 66% with a cap of £2m

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for premises required to close on 5th January and £105,000 for other eligible businesses

Nursery Discount: 100% business rates discount will continue until 30th June at which point it will reduce to 66% capped at a maximum of £105,000 relief

Business Restart Grants: a business support grant of up to £6,000 for non-essential retail premises and up to £18,000 for hospitality, accommodation, personal care, leisure, and gym businesses

Additional Restrictions Grant: The ARG fund will be topped up if November and January allocations of funding are committed and spent.

- 5.10 Phase one grant schemes closed for applications on 31st August 2020 and all grants were paid and determined by 30th September 2020. Expenditure under the phase one schemes was as below. The allocated funding was not applicable for some grant schemes as it was rules based rather than limited funding.

Grant Scheme	Allocated Funding (£)	Expenditure (£)
SBGF	Not Applicable	9,270,000
RHLG	Not Applicable	4,720,000
LADGF	724,000	724,000

- 5.11 Expanded Retail Discount and Nursery Discount are awarded using the discretionary powers of the authority. Expanded Retail Discount and Nursery Discount for the 2020/21 rate year can be awarded until 30th September 2020. Expenditure to date

Relief Scheme	Expenditure (£)
Expanded Retail Discount	14,445,590
Nursery Discount	92,665

- 5.12 Phase two schemes became payable on 1st November 2020. The table over sets out the relevant periods of restrictions which have been in place within Redditch, the local covid alert level during those periods, the grants that were payable during each period and the closing date for applications for each scheme.

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Period Start	Period End	Local Covid Alert Level	Grant Scheme Applicable	Closing Date
1 st November 2020	4 th November 2020	Tier 1	LRSB (Sector)	31 st March 2021
5 th November 2020	1 st December 2020	National Restrictions	LRSB (Closed) Addendum	31 st March 2021
2 nd December 2020	30 th December 2020	Tier 2	LRSB (Sector)	31 st March 2021
			LRSB (Open) Version 2	31 st March 2021
			LRSB (Closed) Version 2	31 st March 2021
			CSP	28 th February 2021
31 st December 2020	4 th January 2021	Tier 3	LRSB (Sector)	31 st March 2021
			LRSB (Open) Version 2	31 st March 2021
			LRSB (Closed) Version 2	31 st March 2021
5 th January 2021	15 th February 2021	National Restrictions	LRSB (Closed) Addendum 5 th January onwards	31 st March 2021
16 th February 2021	31 st March 2021	National Restrictions	LRSB (Closed) Addendum 5 th January onwards	31 st May 2021
5 th January 2021	31 st March 2021	National Restrictions	CBLP	31 st March 2021

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2021**

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-
- 5.13 Phase two schemes include the discretionary additional restrictions grant. The grant was intended to provide support up to 31st March 2022; and Redditch has taken a phased approach to the delivery of support.
- 5.14 In the additional response phase a discretionary scheme is available to support business that are not required by law to close, and business that are not liable for business rates, and are therefore ineligible for the LRSG schemes.
- 5.15 The discretionary scheme mirrors the support that is available to businesses under the LRSG and CBLP schemes. Information relating to the top-up of ARG announced in January was not received until 24th February 2021 and this delay has impacted on the ability to shape the design of the support schemes.
- 5.16 At the conclusion of the response phase, as national restrictions are ended and the LRSG schemes are closed the remaining ARG funding will be distributed to businesses through a recovery support scheme.
- 5.17 The tabulations below display information on the funding provided to the authority for each of the relevant support grant schemes, the number of grants that have been provided and the total expenditure under each scheme. For LRSG (Sector) no specific funding has been provided and the amount of support awarded will be reconciled during the post grant assurance processes.
- 5.18 In the case of LRSG (Closed) funding allocated has exceeded the funding received; this is a mandatory grant and reconciliation of the expenditure will be made and additional funding provided.

Grant Scheme	LRSG (Sector)	LRSG (Closed)	LRSG (Open)
Funding Received		54,926	169,698.00
Number of Grants Paid	0	87	291
Amount of Funding Paid	0	37,074.73	125,189.79

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Grant Scheme	LRSB (Closed) Addendum	CSP	LRSB (Closed) Addendum 5 th January Onwards
Funding Received	921,204	25,600	2,829,412
Number of Grants Paid	351	26	351
Amount of Funding Paid	588,484	26,000	1,826,563

Grant Scheme	Closed Business Lockdown Payment	Additional Restrictions Grant
Funding Received	2,763,000	2,462,598
Number of Grants Paid	343	346
Amount of Funding Paid	1,720,000	1,037,883

- 5.19 The reason that all the funding has not been paid out for schemes other than the ARG scheme is because funding was based on the government estimate of total eligible businesses. Fewer businesses made claims in practice due to a variety of reasons, including no longer trading. This will be addressed when the reconciliation takes place with any monies not spent being paid back in lien with guidance. The reason why the ARG scheme has not been fully spent as yet is because a council decision was taken, based on the guidance, that 50% would be paid out and the rest held back as schemes were developed for the post covid lockdown restart. The council was told that these monies were a one off and would not be topped up and were for a multi-year period. This is now being addressed due to the change in guidance.

Climate Change Implications

- 5.20 There are no Climate Change implications arising out of this report.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

**Audit, Governance
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2021**

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- 6.1 There are no Equality and Diversity implications arising out of this report.

7. RISK MANAGEMENT

- 7.1 As part of grant payments made appropriate controls are in place and checks are made.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1: Grant Eligibility Criteria

**Audit, Governance
& Standards Committee
2021**15th April**9. REPORT SIGN OFF**

Department	Name and Job Title	Date
Portfolio Holder	Councillor David Thain, Portfolio Holder for Finance and Enabling	N/A
Lead Director / Head of Service	Chris Forrester – Head of Finance and Customer Services	April 2021
Financial Services	Chris Forrester – Head of Finance and Customer Services	April 2021
Legal Services	N/A	
Policy Team (if equalities implications apply)	N/A	
Climate Change Officer (if climate change implications apply)	N/A	

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Appendix 1

Appendix A - Business Support Grants Eligibility Criteria

This appendix provides a summary of the business support grants which are and have been provided to businesses impacted by the coronavirus restrictions. There have been nine separate schemes of support and currently there are six live support schemes. Some of the schemes have several iterations and details of each of these is included within the relevant section.

Contents

1. [Grant Schemes Guidance](#)
 - a. [Local Restriction Support Grant \(Open\):](#) LRSG (Open)
 - b. [Local Restriction Support Grant \(Closed\):](#) LRSG (Closed)
 - c. [Local Restriction Support Grant \(Sector\):](#) LRSG (Sector)
 - d. [Additional Restrictions Grant:](#) ARG
 - e. [Christmas Support Payment for Wet-Led Pubs](#) CSP
 - f. [Closed Businesses Lockdown Payment:](#) CBLP
 - g. [Business Support Grant Fund:](#) BSGF
 - h. [Retail, Hospitality and Leisure Grant Fund:](#) RHLG
 - i. [Local Authority Discretionary Grant Fund:](#) LADGF

Grant Schemes Guidance

Local Restriction Support Grant (Open)

LRSO (Open) is a scheme of support available to business during periods in which an area is within Local Covid Alert Level “High” – Tier 2 Restrictions - or Local Covid Alert Level “Very High” – Tier 3 Restrictions.

There are two iterations of the scheme:

Local Restriction Support Grant (Open), applicable until 4th November 2020; and
Local Restriction Support Grant (Open), Version 2 applicable from 5th December 2020.

The principal difference between the two schemes is the period over which payments are determined and paid. LRSO (Open) provided payments over a 28-day period, LRSO (Open) Version 2 provides grants for each 14-day period of restrictions.

Where Tier 2 or Tier 3 restrictions are in place for a period of less than 14 days then relevant grant will be apportioned accordingly.

Qualifying Criteria

LRSO (Open) is a discretionary scheme which is designed to provide support to business which have been significantly impacted by the restrictions in socialising that are in place because an area is subject to Tier 2 or Tier 3 restrictions.

Each local authority can determine its own scheme of support, subject to a business meeting the minimum qualifying criteria set by Government, which are:

- The business must have been trading on the day before the relevant restrictions came into place.
- The businesses must not be in administration, insolvent or subject to a striking off notice.
- Businesses that have exhausted the state aid limits will not be eligible for grant.

Government has asked local authorities to prioritise support to hospitality, hotel, bed and breakfast and leisure businesses.

The scheme in place for Redditch prioritises support to

- a) Hospitality, hotel, bed and breakfast and leisure businesses
- b) Hospitality, hotel, bed and breakfast, and leisure supply chain businesses
- c) Businesses dependant on the night-time economy.

To be eligible for a grant a business must be able to demonstrate a significant impact from the coronavirus restrictions.

Amount of Grant

The level of grant is summarised in the tabulation below:

LRSB (Open) – 28 Day Payment Period

Businesses occupying premises in the Non-Domestic Rating List		Businesses which do not occupy ratable premises	
Rateable Value	Grant	Turnover p.a.*	Grant
Less than £15,000	£934	Less than £140k	£934
£15,000 to £50,999	£1,400	£140k -to £499k	£1,400
Greater than £50,999	£2,100	£500k or above	£2,100

LRSB (Open) Version 2 – 14 Day Payment Period

Businesses occupying premises in the Non-Domestic Rating List		Businesses which do not occupy ratable premises	
Rateable Value	Grant	Turnover p.a.*	Grant
Less than £15,000	£467	Less than £140k	£467
£15,000 to £50,999	£700	£140k -to £499k	£700
Greater than £50,999	£1,050	£500k or above	£1,050

Local Restriction Support Grant (Closed)

LRSB (Closed) is a scheme of support available to business during periods in which an area is within Local Covid Alert Level “High” – Tier 2 Restrictions -, Local Covid Alert Level “Very High” – Tier 3 Restrictions -, or Tier 4 Restrictions.

There are five iterations of the scheme:

LRSB (Closed) applicable to 5th November 2020

LRSB (Closed) Addendum: Applicable for the period of 5th November 2020 to 1st December 2020

LRSB (Closed) Version 2: Applicable from 2nd December 2020

LRSB (Closed) Addendum Tier 4: Applicable during periods of tier 4 restrictions

LRSB (Closed) Addendum 5th January onwards: Applicable during the third national lockdown.

The schemes differ in the periods for which support is paid, with grants payable for 14-day, 28-day, or 42-day periods dependant on the scheme in operation.

Where restrictions are in place for a period of lesser periods then the relevant grant will be apportioned accordingly.

Qualifying Criteria

LRSB (Closed) is designed to provide support to business which are required to close by law due to Tier 2, Tier 3 or Tier 4 restrictions.

The Health Protection (coronavirus, restrictions) (England) (No. 4) Regulations (as amended); and

The Health Protection (coronavirus, restrictions) (England) (All Tiers) Regulations (as amended)

Provide details of the businesses which are required to close.

To be eligible for a grant:

- The business must have been established and trading on the day before the restrictions came into effect.
- The business must have been providing in-person services to customers from their business premises.
- The business must be required to close for a consecutive period of no less than 14 days.
- The business must occupy premises appearing in the local rating list on the date of the commencement of local restrictions

Businesses which are required by law to close but remain open operating a click and collect or delivery service will be treated as closed for the purposes of grant.

Exclusions

The following exclusions are in place in relation to the grant.

- Businesses that can continue to trade because they do not depend on providing direct in-person services from premises and can operate effectively remotely – e.g. solicitors, accountants.
- Business subject to local restrictions that are implemented for less than 14 days and businesses that are closed for less than 14 days.
- Businesses that have chosen to close but are not required by law to do so.
- Businesses in administration, insolvent or where a striking off notice has been made are not eligible for grants.
- Businesses that have exhausted the state aid limits will not be eligible for grant.

Where national restrictions or tier 4 restrictions are in place then the:

LRSG (Closed) Addendum: Applicable for the period of 5th November 2020 to 1st December 2020

LRSG (Closed) Addendum Tier 4: Applicable during periods of tier 4 restrictions

LRSG (Closed) Addendum 5th January onwards: Applicable during the third national lockdown.

Iterations of the schemes will be in place. During these periods LRSG (Sector) ceases to apply and recipients of the sector grant will receive the relevant LRSG (Closed) payment.

For periods of Tier 2 or Tier 3 restrictions eligibility for LRSG (Sector) will exclude a business from receiving LRSG (Closed) payments.

Amount of Grant

The level of grant is summarised in the tabulation below:

Rateable Value	14-Day Period	28-Day Period	42-Day Period	44-Day Period
Up to £15,000	£667	£1,334	£2,001	£2,096
£15,000 to £50,999	£1,000	£2,000	£3,000	£3,143
£51,000 and over	£1,500	£3,000	£4,500	£4,714

Local Restriction Support Grant (Sector)

LRSB (sector) is a scheme of support available to business during periods in which an area is within Local Covid Alert Level "Medium" – Tier 1 Restrictions -, Local Covid Alert Level "High" – Tier 2 Restrictions -, Local Covid Alert Level "Very High" – Tier 3 Restrictions -, or Tier 4 Restrictions.

The scheme provides support to business which have been required to close at a national level since 23rd March 2020, at present the businesses eligible for support are:

- Nightclubs
- Dance Halls
- Discotheques
- Sexual Entertainment Venues; and
- Hostess Bars

The grant is payable in 14-day periods and where restrictions are in place for shorter periods and apportioned grant will be paid.

If additional business sectors are required to close at a national level, then they will become eligible for LRSB (Sector).

Qualifying Criteria

To be eligible for a grant:

- The premises occupied by the applicant must have been liable for business rates on 1st November 2020.
- Businesses must have been trading on 23rd March 2020 to be eligible for the grant.
- If new sector specific national restrictions are made, then the business must have been trading on the 1st day of those restrictions to be eligible for the grant.

Exclusions

The following exclusions are in place in relation to the grant.

- Businesses that have already received grant payments that equal the maximum levels of state aid permitted under the de -minimis and the Covid 19 Temporary State Aid Framework.
- Businesses that were in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
- Businesses which were formerly operating as nightclubs, dance halls, discotheques, sexual entertainment venues and hostess bars but have since repurposed and are able to stay open will not be eligible. For example, changing their business from a nightclub to a bar.

Where national restrictions or tier 4 restrictions are in place then the:

LRSB (Closed) Addendum: Applicable for the period of 5th November 2020 to 1st December 2020

LRSB (Closed) Addendum Tier 4: Applicable during periods of tier 4 restrictions

LRSB (Closed) Addendum 5th January onwards: Applicable during the third national lockdown.

schemes will be in place. During these periods LRSB (Sector) ceases to apply and recipients of the sector grant will receive the relevant LRSB (Closed) payment.

Amount of Grant

The level of grant is summarised in the tabulation below:

Rateable Value	Amount of Grant
Up to £15,000	£667
£15,000 to £50,999	£1,000
£51,000 and over	£1,500

Additional Restrictions Grant

ARG is a fund that has been provided to local authorities to support businesses within their local area. ARG is provided to authorities when they enter Local Covid Alert Level “Very High” – Tier 3 restrictions, or when national restrictions are imposed.

The funding is a one-off payment paid when restrictions are first put into place. In the guidance issued by Government in December 2020 local authorities were advised that the fund would not be topped-up if further national restrictions were implemented.

In January 2020 Government announced a top-up to the scheme for the period of the third national lockdown.

Qualifying Criteria

ARG is a discretionary fund which is designed to provide support to business which have been significantly impacted by the coronavirus restrictions. Each local authority can determine its own scheme of support, subject to a business meeting the minimum qualifying criteria set by Government, which are:

- The business must have been trading on the first day the relevant local or national restrictions came into place.
- The businesses must not be in administration, insolvent or subject to a striking off notice.
- Businesses that have exhausted the state aid limits will not be eligible for grant.

Redditch Borough Council has implemented a discretionary grant scheme intended to mirror the support available to businesses under the LRSG (Closed) Schemes.

ARG (Discretionary Grant) will be provided to businesses which are not eligible for LRSG schemes and are:

- a) Occupying rateable premises and are in the supply chain for businesses within the retail, hospitality, or leisure sectors.
- b) Occupying rateable premises and are within the events, exhibitions or travel and tourism sector
- c) Occupy premises that are not included in the rating list but have been ordered to close.
- d) Occupy premises which have not been ordered to close and are supported by the night-time economy.
- e) Other businesses which can demonstrate a significant loss in income because of the coronavirus restrictions.

Businesses will need to demonstrate a significant impact on income due to the coronavirus restrictions. This will be a loss in income of over 30%.

Amount of Grant

The level of grant is summarised in the tabulation below:

Rateable Value	14-Day Period	28-Day Period	42-Day Period	44-Day Period
Up to £15,000	£667	£1,334	£2,001	£2,096
£15,000 to £50,999	£1,000	£2,000	£3,000	£3,143
£51,000 and over	£1,500	£3,000	£4,500	£4,714

An additional payment of £4,000, £6,000 or £9,000 will be paid to businesses which occupy properties subject to Non-Domestic Rates and receiving ARG (Discretionary Grant) in the period from 5th January 2021 to 31st March 2022

Christmas Support Payment for Wet-Led Pubs

CSP is a one-off payment intended to provide support for wet-led pubs which are within areas which were subject to Local Covid Alert Level “High” – tier 2 restrictions, or Local Covid Alert Level “Very High” – Tier 3 restrictions during the period of 2nd December 2020 to 29th December 2020.

The grant will be a one-off payment of £1,000.

Qualifying Criteria

The grant will be payable to the ratepayer occupying a hereditament within the local rating list on 1st December 2020 and which meets the definition of a wet-led pub.

For the purposes of the grant a wet-led pub is:

- a) Open to the general public; and
- b) Allows free entry other than when occasional entertainment is provided; and
- c) Allows drinking without requiring food to be purchased; and
- d) Permits drinks to be purchased at a bar.

A pub will exclude, restaurants, cafes, nightclubs, hotels, snack bars, guesthouses, boarding houses, sporting venues, music venues, festival sites, theatres, museums, exhibition halls, cinemas, concert halls and casinos.

The list of exclusions is not exhaustive, and each case must be determined in line with the definition of a wet-led pub.

Closed Businesses Lockdown Payment

CLB is an additional grant which will be made available to businesses which are required to closed due the national lockdown from 5th January 2020.

The payment will be in addition to the LRSG (Closed) addendum 5th January scheme.

Qualifying Criteria

Eligibility for CLB is the same as LRSG (Closed) addendum 5th January.

To be eligible for a grant:

- The businesses must have been required by law to close.
- The business must have been established and trading on the day before the restrictions came into effect.
- The business must have been providing in-person services to customers from their business premises.
- The business must occupy premises appearing in the local rating list on the date of the commencement of local restrictions

Businesses which are required by law to close but remain open operating a click and collect or delivery service will be treated as closed for the purposes of grant.

Exclusions

The following exclusions are in place in relation to the grant.

- Businesses that can continue to trade because they do not depend on providing direct in-person services from premises and can operate effectively remotely – e.g. solicitors, accountants.
- Businesses that have chosen to close but are not required by law to do so.
- Businesses in administration, insolvent or where a striking off notice has been made are not eligible for grants.
- Businesses that have exhausted the state aid limits will not be eligible for grant.

Amount of Grant

The level of grant is summarised in the tabulation below:

Rateable Value	Amount of Grant
Up to £15,000	£4,000
£15,000 to £50,999	£6,000
£51,000 and over	£9,000

Business Support Grant Fund

BSGF was a scheme of support which provided grants to businesses that were impacted by the first national lockdown from March 2020. The scheme provided support to businesses which:

- On 11th March 2020 occupied premises which were entered into the Non-Domestic Rating list and for which the ratepayer was eligible for either Small Business Rates Relief or Rural Rate Relief.

The amount of the grant was £10,000 and applications to the scheme were required to be made by 31st August 2020; payments under the scheme could be made up to 30th September 2020. The scheme has now closed for applications.

The authority is required to undertake post grant assurance work and this programme of checks is on-going. Grants which have been claimed fraudulently or have been paid in error will be recovered in full.

Retail, Hospitality and Leisure Grant

RHLG was a scheme of support which provided grants to businesses that were impacted by the first national lockdown from March 2020. The scheme provided support to businesses which:

- On 11th March 2020 occupied premises which were entered into the Non-Domestic Rating list and for which the ratepayer would have been eligible for expanded retail discount had the rules in place from 1st April 2020 applied at that date.

The amount of grant was:

- £10,000 for properties with a rateable value of up to £15,000; or
- £25,000 for properties with a rateable value of £15,001 to £50,999

The scheme closed for applications on 31st August 2020 and all grants were required to be paid by 30th September 2020.

The authority is required to undertake post grant assurance work and this programme of checks is on-going. Grant which have been claimed fraudulently or have been paid in error will be recovered in full.

Local Authority Discretionary Grant Fund

LADGF is a discretionary grant scheme which is intended to provide support to businesses which were in-eligible for the BSGF and RHLG schemes either because they:

- a) Occupied premises which were not included within the local Non-Domestic Rating list; or
- b) Were ineligible for a relevant relief.

Local Authorities were able to develop their own schemes for payment of grants however, Government requested that priority was given to certain types of business. For the scheme adopted in Redditch the Government' priority businesses were treated as band A businesses and were paid in priority to other applicants.

Redditch adopted a scheme which provided grants of £25,000, £10,000 or amounts of less than £5,000. The amount of grant provided was determined by the fixed property costs which the business faced.

The scheme applied in Redditch provided support to businesses in priority groups, all Band A businesses were assessed and awarded grants, and then awards were made to Band B businesses, and then Band C, after which point grants were made to non-priority businesses.

The relevant businesses in each band were:

Band A

Businesses occupying shared offices or shared business spaces.

Charities occupying one small property in England and excluded from Small Business Rates Relief

Small Bed and Breakfast which pay Council Tax and not Non-Domestic Rates.

Regular Market Traders which occupy a market pitch or stall which is not entered into the rating list.

Band B

Businesses within the Events and Exhibitions Sector

Businesses within the Travel and Leisure Sectors

Band C

Large Pubs, Gyms and Children's Centres which were excluded from expanded retail discount

Retail, Hospitality and Leisure Supply Chain Businesses.

The application process for LADGF was open from 15th June 2020 to 3rd July 2020

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AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

Work Programme 2020-21

15th April 2020

- Monitoring Officer's Report
- Grant Thornton External Audit Progress Report and Sector Update
- Internal Audit Progress Report
- Covid-19 grants
- Compliance Team Update Financial Savings Monitoring Report
- Corporate Risk Register Verbal Update
- Risk Champion Update
- Committee Work Programme

29th July 2021

- Monitoring Officer's Report
- RIPA Report 2021
- External Audit Plan 2020/21
- Grant Thornton External Audit Progress Report and Sector Update
- Internal Audit Plan 2020/21
- Internal Audit Annual Report including Audit Opinion 2019/20
- Corporate Governance and Risk Update (including Business Continuity Policy)
- HRA S151 Update
- Appointment of Risk Champion
- Committee Work Programme

28th October 2021

- Monitoring Officer's Report
- Internal Audit Progress Report
- Grant Thornton External Audit Progress Report and Sector Update
- Internal Audit Progress Report
- Financial Savings Monitoring Report
- Corporate Risk Register
- Review of the Role of Independent Member
- Committee Work Programme

AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

Meetings 2020/21

- Treasury, Capital, and Investments reports
- Treasury Management Strategy and Capital Strategy Report
- External Audit – Grant Claims Certification Work Report 2019/20
- Review of the Role of Independent Member
- Corporate Risk Register
- Committee Work Programme
- Accounting policies report
- Treasury Report Update (6 monthly)
- Treasury Management Strategy and Capital Strategy Report