



Audit, Governance & Standards Committee

Tue 15 Sep
2020
7.00 pm

Skype, Virtual Meeting

REDDITCH BOROUGH COUNCIL

*making
a
difference*

www.redditchbc.gov.uk

If you have any queries on this Agenda please contact
Jo Gresham

Parkside, Market Street, Bromsgrove, B61 8DA
Tel: (01527) 64252 (Extn.3031)
e.mail: joanne.gresham@bromsgroveandredditch.gov.uk

GUIDANCE ON VIRTUAL MEETINGS

Due to the current Covid-19 pandemic Bromsgrove District 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 Skype conferencing between invited participants and live streamed for general access via the Council's YouTube channel.

You are able to access the agenda for the meeting from the Committee Pages of the website. The livestream of the meeting is available from the Committee Pages of the website or via the link below.

[Audit, Governance and Standards Committee - 15th September 2020](#)

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 Skype meeting will be streamed live and accessible to view. Although this is a public meeting, there are circumstances when Council 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

Tuesday, 15th September, 2020

7.00 pm

Skype, Virtual Meeting

Committee

Agenda

Membership:

Cllrs:	John Fisher (Chair)	Juliet Brunner
	Mark Shurmer	Peter Fleming
	(Vice-Chair)	Yvonne Smith
	Salman Akbar	David Thain
	Tom Baker-Price	
	Joanne Beecham	

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 from the last Audit, Governance and Standards Meeting held on 27th July 2020 (Pages 1 - 12)

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. Grant Thornton - Progress Report and Sector Update (Pages 13 - 30)

6. Internal Audit - Progress Report (Pages 31 - 58)

7. Internal Audit - Benefits Service Presentation

8. S151 Officer Report (Pages 59 - 94)

9. Risk Champion - Verbal Update

10. Independent Member Recruitment - Verbal Update

11. Committee Work Programme (Pages 95 - 96)

This page is intentionally left blank



Audit, Governance & Standards Committee

Monday, 27 July 2020

MINUTES

Present:

Councillor John Fisher (Chair), and Councillors Salman Akbar, Tom Baker-Price, Juliet Brunner, Peter Fleming, Andrew Fry, Yvonne Smith and David Thain

Also Present:

Neil A. Preece – Engagement Lead, Grant Thornton

Officers:

Jayne Pickering, Clare Flanagan, Andy Bromage, Martyn Bradley, Joanne Gresham and Pauline Ross

1. APOLOGIES AND NAMED SUBSTITUTES

An apology for absence was received on behalf of Councillor Mark Shurmer. Councillor Andy Fry was in attendance as his substitute.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

RESOLVED that

.....
Chair

Audit, Governance & Standards Committee

Monday, 27 July 2020

the minutes of the meeting of the Audit, Governance and Standards Committee held on Thursday 30th January 2020 be approved as a true and correct record.

4. PUBLIC SPEAKING

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

5. MONITORING OFFICER'S REPORT - STANDARDS REGIME

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

Members were advised that there had been a number of complaints received which had been resolved locally by the Monitoring Officer.

During this item there was a discussion regarding 'the new normal' in regard to Council meetings during lockdown. The Principal Solicitor informed Members that, meetings had been carefully managed and were running effectively and had been very successful. Members thanked the officers for enabling the meetings to take place and for their support regarding ICT and the testing of equipment and Skype for Business.

RESOLVED that

the Monitoring Officer's report be noted.

6. MODEL CODE OF CONDUCT

The Principal Solicitor presented the report on the Model Code of Conduct and in doing so highlighted the following: -

- Members of the Audit, Governance and Standards Committee had previously considered the report from the Local Government Association (LGA) with regard to Standards in Public Life.

Audit, Governance & Standards Committee

Monday, 27 July 2020

- The LGA had carried out its review of the Model Code of Conduct and had issued their own version which was in a consultation period until 17th August 2020.
- The majority of Members did maintain higher standards of conduct in public life.
- Within the LGA Model Code of Conduct interests had been expanded in order to incorporate 'Other' interests as well as the registerable pecuniary interests.

It was reported by the Principal Solicitor that there was guidance within the Model Code of Conduct regarding Members' use of social media, which was the area where the majority of complaints were received. However, it was felt that the guidance needed to be stronger. Members were asked to consider the model and make any comments to contribute to the LGA consultation or were they happy for the Monitoring Officer to highlight issues in the report and feedback to the LGA.

Members agreed that the idea of a standardised model across all Councils was a good one, however, some Members felt that the figure of £25 for Gifts and Hospitality as suggested in the Model Code of Conduct was too high and that it would be more appropriate to maintain the current figure of £15.

There was lengthy discussion around the process involving sanctions and breaches of the Model Code of Conduct and it was acknowledged by the Committee that in order to do this it would require a change of primary legislation within Parliament. It was with this in mind, that officers agreed to keep a 'watching brief' to ensure that Members were kept up to date with any changes that could affect sanctions or breaches in the future.

Members were keen to understand what constituted as a breach on social media e.g. Facebook and Twitter and agreed that this must be made clearer with stronger guidance in the next iteration of the Model Code of Conduct. The Principal Solicitor confirmed that most of the complaints that were received were resolved locally by the Monitoring Officer.

Audit, Governance & Standards Committee

Monday, 27 July 2020

It was agreed that the following feedback be given to the LGA in respect of the Model Code of Conduct: -

- Stronger guidance around Members' use of social media.
- Figure for the Gifts and Hospitality.
- Members liked the style and format of the Model Code of Conduct.
- It made good common sense to have a Model Code of Conduct that was adopted by all Councils.

Members were keen to see the next iteration of the Model Code of Conduct and make further comments and keep a 'watching brief' on any legislation changes in Parliament.

RESOLVED that

the Model Code of Conduct report be noted and that Members comments, as detailed in the preamble above, be reported back to the Local Government Association.

7. REGULATION OF INVESTIGATORY POWERS ACT

The Director, Finance and Resources presented the report in respect of the Regulation of Investigatory Powers Act which was a statutory report considered annually by Members concerned with covert surveillance in certain circumstances. She clarified that there had been no covert surveillance undertaken since 2012. It was clarified to Members that the only amendment from the previous year had been the inclusion of a section on 'Obtaining Communications Data'.

Some Members commented that they would be happy to receive the report only when there had been amendments made. However, most Members felt that it was useful to consider the report annually.

RESOLVED that

Audit, Governance & Standards Committee

Monday, 27 July 2020

- a) the Council's RIPA Policy as reviewed, be endorsed;
and
- b) the update on RIPA activity be noted.

8. GRANT THORNTON - UPDATE REPORT - VERBAL UPDATE

The Engagement Lead from Grant Thornton updated Members in respect of the updated accounts and audit timetable due to Covid-19 and associated lockdown. It was explained to the Committee that the accounts would be produced and published by the end of August 2020 and the audit completed in November 2020. This was following consultation with the Executive Director, Finance and Resources and the Head of Finance and Customer Services. It was agreed that officers would produce the information to a standard that they were happy with.

It was confirmed to Members by the Engagement Lead from Grant Thornton that there were no plans to go back on site to carry out their work, as they were now getting used to undertaking audits remotely. He admitted that there were some challenges and that the work could take longer due to flexible working hours and not being 'in situ' with officers but he was confident that the work would be completed as planned.

Members thanked the Engagement Lead from Grant Thornton and were appreciative that they were able to carry on with the work.

RESOLVED that

the Grant Thornton - Update Report - Verbal Update be noted.

9. GRANT THORNTON - REDDITCH BOROUGH COUNCIL 2019-20 AUDIT PLAN ADDENDUM - COVID19

The Engagement Lead for Grant Thornton presented a report in respect of Redditch Borough Council 2019-20 Audit Plan Addendum - Covid19, a short paper that flagged the impact that Covid-19 had had on the audit plan, as presented to the Committee in January 2020.

Audit, Governance & Standards Committee

Monday, 27 July 2020

It was highlighted that there would be ongoing and regular dialogue with The Executive Director, Finance and Resources and the Head of Finance and Customer Services regarding the impact on processes at the Council. So far, Grant Thornton were satisfied that these processes were all in place.

Members questioned whether there would be any extra work and any additional days needed in order to carry out the audit. The Engagement Lead for Grant Thornton stated that he was unsure at present and that as some of the other fees in relation to leases on IRF16 had been deferred, there may not be an increase in fees as these IRF16 fees would not be charged. He also explained that due to the current working situation that fewer expenses were being charged in respect of their travel costs.

Members thanked the officers and Grant Thornton for all their hard work during this difficult and changing time.

RESOLVED that

the Grant Thornton - Redditch Borough Council 2019-20 Audit Plan Addendum - Covid19 be noted.

10. GRANT THORNTON - INFORMING THE AUDIT RISK ASSESSMENT 2019-20

The Engagement Lead from Grant Thornton presented the report and in doing so explained that the report was produced annually in conjunction with officers. The report consisted of management responses that enabled Grant Thornton to rebut fraud systems and processes that the Council had in place. It was acknowledged that there were some financial challenges ahead, including the Medium Term Financial Planning.

Some Members queried the report in respect of the Enterprise Planning Resource System (ERP) and whether the significant resources mentioned were of concern. Officers reassured Members that there had been extra resources sourced for support for the final

Audit, Governance & Standards Committee

Monday, 27 July 2020

accounts work and that by the time of the next Committee meeting the ERP System would be in the first stages of implementation. Grant Thornton had no concerns regarding the capacity of officers.

Members queried the cash handling levels procedures and policies. It was confirmed by the Executive Director, Finance and Resources that cash handling was a last resort and that customers were encouraged to use electronic payment facilities. The Engagement Lead from Grant Thornton clarified that they were happy with the controls in place for cash handling and that there was no real risk associated with them.

The Committee agreed that it would like to reinstate the Risk Champion role going forward and officers undertook to find out who the previous Risk Champion was and bring information to the next meeting of the Committee.

RESOLVED that

Informing the Audit Risk Assessment 2019-20 report be noted.

11. INTERNAL AUDIT - FINAL AUDIT PLAN 2020/21

The Head of the Worcestershire Internal Audit Shared Service presented the report in respect of the Final Audit Plan 2020/21. The draft report was considered prior to the outbreak of Covid-19 and associated lockdown and the final report was due to be considered by the Committee at the meeting on 9th April 2020 however, this meeting was cancelled.

It was reported to Members that the plan needed to be flexible given the current situation. He explained that the report was a good benchmark, however, Members were assured that if any changes were made should risks emerge; they would be bought before the Committee to confirm what changes were being proposed and why.

Members questioned as to how audits would be carried out under the circumstances and were informed that although audits may take a little longer, the service had access to many of the systems and

Audit, Governance & Standards Committee

Monday, 27 July 2020

processes that were used by officers and they could be accessed directly. In addition to this, they were able to conduct virtual meetings using virtual meeting platforms.

Some Members noted that things would inevitably change going forward and the new Housing System which was still to be implemented and it was agreed that there would be a need to prioritise throughout the year, particularly around any limited assurances which would need to be reported to the Committee.

RESOLVED that

- a) **the Audit Plan 2020/21 be approved; and**
- b) **the Key Performance Indicators be approved.**

12. INTERNAL AUDIT ANNUAL REPORT INCLUDING AUDIT OPINION 2019/20

The Head of the Worcestershire Internal Audit Shared Service presented the Internal Audit Annual Report including Audit Opinion 2019/20 and in doing so drew Members' attention to the improving picture within the report and highlighted that there were fewer Limited and No Assurance audits.

Members queried what seemed to them to be a recurring issue within the report of a lack of resources within services areas. It was clarified by the Head of the Worcestershire Internal Audit Shared Service that fourth tier managers were regularly issued with questionnaires regarding their service areas and any emerging risks and a number had identified a lack of resource, as one of them. He clarified that this had been identified previously but was not necessarily one with an easy resolution. He further reported that the Corporate Management Team was regularly consulted on these findings.

Members expressed their concerns regarding the asbestos results; and it was felt that this was an area which needed to be prioritised.

Audit, Governance & Standards Committee

Monday, 27 July 2020

It was confirmed to Members that this was an area where audit was working closely with officers and that an action plan was in the process of being produced.

The Head of the Worcestershire Internal Audit Shared Service answered questions from Members regarding the variances of numbers of audits carried out throughout the year and it was clarified that there was fluctuation between different quarters and that variances did not have much of a material impact on the overall audit plan.

RESOLVED that

the Internal Audit Annual Report including Audit Opinion 2019/20 report be noted.

13. INTERNAL AUDIT PROGRESS REPORT 2019/20 & 2020/21

The Head of the Worcestershire Internal Audit Shared Service explained that this was a regular update that was brought before Members and included the reports in their entirety. It was confirmed to Members that, unsurprisingly, there had been a slow start at the beginning of the 2020/21 audit plan due to Covid-19 and associated lockdown, but the required adjustments were made and the plans had commenced since June 2020. It was acknowledged that the plans would inevitably be impacted overall, but it was still too early to understand that impact. Reassurance was given to Members that they would be updated on progress being made and that high priority recommendations would be followed up and reported to the Committee at future meetings.

Members were interested in the differentiation between operational and corporate risk and the Executive Director, Finance and Enabling undertook to bring the Corporate Risk Register to the next meeting of the Committee.

RESOLVED that

Audit, Governance & Standards Committee

Monday, 27 July 2020

the Internal Audit Progress Report 2019/20 & 2020/21 report be noted.

14. HEALTH AND SAFETY PRESENTATION

The Senior Health and Safety Advisor introduced the presentation and in doing so highlighted the following to Members: -

- Most of the outstanding recommendations contained within the report had been completed.
- Noticeboards across Council locations had been updated to include relevant and more user-friendly information.
- Mental health training had been provided to First Aiders.
- Fire Risk Assessments were ongoing and effectively not one piece of work that could be 'completed' and that the Council were working with external consultants to ensure the correct methodology was applied to all Fire Risk Assessments.
- A new signing in system had been established at the Town Hall.
- The 'Train a Trainer' scheme had been delayed due to Covid-19 and associated lockdown.
- A new Health and Safety induction had been established for all new starters and that virtual training would be available to employees.

Members thanked the Senior Health and Safety Advisor for his update and agreed that the changes that had been made were positive.

RESOLVED that

the contents of the Health and Safety Presentation report be noted.

15. IMPACT OF COVID-19 INCLUDING SECTION 24 UPDATE

The Executive Director, Finance and Enabling presented the report and in doing so informed Members that currently the impact was still unknown. She reported that some Central Government grants

Audit, Governance & Standards Committee

Monday, 27 July 2020

had been received, however, no funding had been provided for Leisure Services. It was confirmed that Central Government were still being lobbied in respect of leisure services and that financial losses were inevitable due to 4 months of no income.

With regard to the Housing Revenue Account it was reported to Members that shortfalls in rent were predicted and that currently rent shortfalls were at £1.026m with the potential to increase to £2m. There was also discussion about the increase in Universal Credit claimants once the furlough scheme ended.

Looking to the future, Members were informed that a Recovery and Restoration Plan was being produced to demonstrate how the Strategic Purposes would be delivered in the coming months.

Councillor D. Thain the Executive Director, Finance and Enabling and the team for working in such an uncertain time with such flexibility. This was echoed by the Chair of the Committee.

RESOLVED that

the contents of the Impact of Covid-19 including Section 24 Update be noted.

16. INDEPENDENT MEMBER RECRUITMENT - VERBAL UPDATE

The Executive Director, Finance and Resources gave a verbal update regarding the Role of an Independent Member. It was reported that the process had been stalled due to the Covid-19 lockdown and that this would be picked up again by officers.

17. FINAL ACCOUNTS 2019-2020 - VERBAL UPDATE

The Executive Director, Finance and Enabling updated Members and gave a verbal update on the Final Accounts for 2019-2020 and confirmed that the timetable for the accounts had been updated and that the team were on track to complete them by 1st September 2020.

Audit, Governance & Standards Committee

Monday, 27 July 2020

There were challenges that needed to be overcome for Local Authorities including valuation of properties as there was material uncertainty due to the way valuations had been carried out due to lockdown. Local Authority valuers were not able to get see properties and valuations were based on 'best guess' estimates as of 31st March 2020.

RESOLVED that

the contents of the Final Accounts 2019-2020 - Verbal Update be noted.

18. WORK PROGRAMME

The Democratic Services Officer confirmed that any additions that had been identified by Members during the course of the meeting, would be added to the Work Programme. These were confirmed as follows:

- St David House Update
- Enterprise Resource System Update
- S151 Update

The Meeting commenced at 7.02 pm
and closed at 9.42 pm

REDDITCH BOROUGH COUNCILAUDIT GOVERNANCE AND STANDARDS COMMITTEE 15th SEPTEMBER 2020GRANT THORNTON – Sector report and 2019/20 audit progress update

Relevant Portfolio Holder	Councillor David Thain
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No

1. SUMMARY OF PROPOSALS

To present a sector update report from Grant Thornton relating to emerging public sector national issues and 2019/20 audit progress to date.

2. RECOMMENDATIONS

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

3. KEY ISSUES**Financial Implications**

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

Legal Implications

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

Service / Operational Implications

3.3 The report attached at Appendix 1 updates Members on the progress on the 2019/20 accounts work undertaken by Grant Thornton since the last Committee meeting. The draft (pre-audit) 2019/20 Statement of Accounts was due to be published by 31st August 2020. This deadline was met and the accounts were published on line and sent to the Auditors. As in previous years this draft document will be sent to the Members of this Committee and a briefing session will be held to ensure Members have a greater understanding of the Accounts prior to publishing with the Audit opinion in November.

REDDITCH BOROUGH COUNCIL**AUDIT GOVERNANCE AND STANDARDS COMMITTEE 15th SEPTEMBER 2020**

- 3.4 It is important to inform the Committee that whilst officers and Grant Thornton are committed to ensure the accounts are audited by the end of November in line with guidance (not statutory legislation), there is a risk that this date will not be achieved. This is not solely due to the slight delay in the audit of the accounts but also due to the fact that undertaking an audit within a virtual environment has been seen to take longer than if the team were on site and able to discuss issues with the finance team. Officers will keep Members up to date on the progress of the Audit.
- 3.5 In addition the appendix includes updates and links to Grant Thornton Publications in relation to issues that are relevant to Local Government at the current time. These mainly relate to the impact of Covid and how Councils can address the associated risks of financial implications and service delivery.

Customer / Equalities and Diversity Implications

- 3.6 There are no implications arising out of this report.

4. RISK MANAGEMENT

- 4.1 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.

5. APPENDICES

Appendix 1 - Grant Thornton Report

6. BACKGROUND PAPERS

None

7. KEY

N/A

AUTHOR OF REPORT

Name: Chris Forrester

E Mail: chris.forrester@bromsgroveandredditch.gov.uk

Tel: 01527 54252

Audit Progress Report and Sector Update

Redditch Borough Council
Year ending 31 March 2020

15 September 2020



Contents

Section	Page
Introduction	3
Progress at August 2020	4
Audit Deliverables	7
Sector Update	8

Introduction



Jackson Murray

Engagement Lead

T 0117 305 7859

E Jackson.Murray@uk.gt.com



Neil Preece

Engagement Manager

T: 0121 232 5292

E: neil.a.preece@uk.gt.com

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 August 2020

Financial Statements Audit

We undertook our initial planning for the 2019/20 audit in December 2019, and interim audit in January to March 2020. In January we issued a detailed audit plan, setting out our proposed approach to the audit of the Council's 2019/20 financial statements.

We had initially planned to begin our work on your draft financial statements in early August, but this was put back to the beginning of September as the financial statements were not ready. On 27 August Officers notified us that they would not be able to prepare and publish the financial statements for Bromsgrove District Council by 31 August as required by the amended regulations. We agreed with Officers to delay our audit of both Redditch Borough Council and Bromsgrove District Council in order to allow them to focus on finalising the Bromsgrove District Council financial statements and prepare high quality supporting working papers for both audits. Further, there are significant efficiencies for both the audit team and Officers in auditing the two sets of financial statements simultaneously. We now plan to begin our audit work towards the end of September.

We will report our work in the Audit Findings Report and aim to give our opinion on the Statement of Accounts by the end of November. However, given the delay to the start of our audit there is a significant risk that this timescale will not be achieved.

Covid-19

In addition to the audit risks communicated to those charged with governance in our Audit Plan on 30 January 2020, the Covid-19 pandemic led us to update our planning risk assessment and reconsider our audit and value for money (VfM) approach to reflect the unprecedented global response. On 28 April we issued an addendum to our audit plan, setting out a new significant financial statement risk in relation to Covid-19.

Value for Money

The scope of our work is set out in the guidance issued by the National Audit Office. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".

The guidance confirmed the overall criterion as: "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".

The three sub criteria for assessment to be able to give a conclusion overall are:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties

Details of our initial risk assessment to determine our approach were included in our Audit Plan.

We aim to report our work in the Audit Findings Report and aim to give our Value For Money Conclusion by the end of November.

The NAO consultation on a new Code of Audit Practice (the "Code") has finished, and the new Code has completed its approval process in Parliament. It therefore came into force on 1 April 2020 for audit years 2020/21 and onwards. The new Code supersedes the Code of Audit Practice 2015, which was published by the National Audit Office (NAO) in April 2015.

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. The NAO public consultation is now underway and runs until 2 September 2020. It can be accessed through the NAO website:

<https://www.nao.org.uk/code-audit-practice/agn-03-vfm-consultation/>

Progress at August 2020 (Cont.)

Other areas

Certification of claims and returns

We certify the Council'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 underway. In response to the impact of the Covid-19 pandemic, the DWP has moved the reporting deadline back to 31 January 2021. We will report our findings to the Audit, Governance & Standards Committee in January 2021.

We also certify the Council's annual Pooling of Housing Capital Receipts return in accordance with procedures agreed with the Ministry of Housing, Communities & Local Government. (MHCLG). We have yet to receive from MHCLG guidance for the certification work for the 2019/20 return.

Meetings

We met with Finance Officers in May and July as part of our regular liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

We provide a range of workshops, along with network events for members and publications to support the Council. Your officers attended our Financial Reporting Workshop in February, 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 Council are set out in our Sector Update section of this report.

Covid-19 Update

Impact on working arrangements:

Following the government's announcement on Monday 16 March 2020 we closed our Grant Thornton offices for the foreseeable future and your audit team are now working from home.

We will be working remotely during your accounts audit. Although there are some audit tasks which are best undertaken in person, we will be able to complete the majority of the audit remotely. This is however likely to make the audit process longer. We continue to work closely with your finance team to make this different way of working as efficient as possible.

There may need to be further changes to planned audit timings due to potential illness within the audit team or the finance team and due to the further developments of Covid-19.

Impact on accounts and audit opinions:

There are a number of key issues which your finance team will have had to consider as part of the year end closedown and accounts production:

- impact on reserves and financial health and whether the Council needs to provide additional disclosures that draw attention to a Material Uncertainty around Going Concern (this could also impact on the VfM conclusion) or asset valuations;
- valuation of Property, Plant & Equipment and assumptions made by valuers, particularly in respect of carrying value to current value assessment;
- impact on collectability of debt and assumptions made in bad debt provisions;
- impact on post-balance sheets events. The consequences of the virus post 31 March 2020 will generally be non-adjusting post balance sheet events but some form of disclosure may be needed;
- disclosure of impact in Narrative Report;
- disclosure of critical judgements and material estimation uncertainties;
- impact on the content of the Annual Governance Statement, particularly with regards to risks, controls and mitigation;
- considerations in respect of service continuity and disaster planning arrangements (this could impact on the VfM conclusion); and
- impact on reporting to those charged with governance and signing arrangements.

Changes to reporting requirements:

The Secretary of State announced that for the 2019/20 accounting period he would be extending the period for publication of principal authority accounts to 30 August 2020.

For principal authorities, this means that the whole chain of publication requirements will be amended. The audited financial statements are now to be published by 30 November 2020.

IFRS 16 implementation has been delayed by 1 year to 1 April 2021. IAS 8 disclosures in respect of new accounting standards which have been issued but are not yet effective are still required for IFRS 16 (Leases) even though implementation is deferred to 2021/22.

Audit Deliverables

2019/20 Deliverables	Planned Date	Status
<p>Fee Letter</p> <p>Confirming audit fee for 2019/20.</p>	April 2019	Complete
<p>Audit Plan</p> <p>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 Council's 2019-20 financial statements and a Conclusion on the Council's Value for Money arrangements.</p> <p>Note we issued an addendum to our Audit Plan in April 2020 following the Covid-19 pandemic.</p>	January 2020	Complete
<p>Audit Findings Report</p> <p>We aim to report the Audit Findings Report to the November Audit, Governance & Standards Committee.</p>	November 2020	Not yet due
<p>Auditors Report</p> <p>This is the opinion on your financial statement, annual governance statement and value for money conclusion.</p>	November 2020	Not yet due
<p>Annual Audit Letter</p> <p>This letter communicates the key issues arising from our work.</p>	December 2020	Not yet due

Sector Update

Councils 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

In-depth insight into the impact of Covid-19 on financial reporting in the local government sector – Grant Thornton

In June Grant Thornton published a report to help officers and elected members identify points they should consider when assessing and reporting the impact of Covid-19 on their authority. Each authority will be impacted in different ways and will need to make their own assessment of the impact on their financial statements. However, the report identified some of the key challenges for the sector, along with the potential financial reporting and regulatory impact, to support preparers of local authority accounts navigate through some of these key issues. The report also included a number of useful links to other resources.

The extraordinary events we are living through follow a decade of austerity, triggered by the financial crisis of 2008/09, which had already placed considerable strain on local authorities' finances. Increased demand for many local public services, directly related to the outbreak of the virus, has placed immediate pressure on authorities' cash flows and expenditure budgets. The longer-term consequences of recession and unemployment on demand for services have yet to be experienced.

At the same time, several important sources of local authority income including Council Tax, Non-domestic (business) rates, fees and charges, rents and investment returns have, to a greater or lesser extent, been subject to reduction or suspension. This perfect storm of conditions presents a real threat to the financial sustainability of the sector. Now, more than ever, strong political and executive leadership is needed to re-establish priorities, review strategies and medium-term financial plans and ensure that public funds are being used as efficiently and effectively as possible. A balance has to be struck between responding to the needs of residents and businesses in a timely manner, protecting the most vulnerable and ensuring appropriate measures and controls around financial management are in place to mitigate against future 'financial shock'. In doing so, iterative scenario planning will help officers and elected members to take informed decisions at key stages, revisiting and revising plans along the way.

The report considered:

- Operational challenges and the related financial reporting/regulatory impact
- Government support schemes – considering the accounting implications
- Significant financial reporting issues to consider
- Other sector issues and practicalities to consider
- Impact on audit work/external scrutiny process
- Engagement with experts

In terms of key financial reporting considerations for 2019/20, consideration should be given to:

Information published with accounts

- Does the Narrative Report reflect the urgency of the situation, the changes to Council services as a result of lockdown, the partnership arrangements in place, the impact of the pandemic on income and expenditure and possible future scenarios, the impact on savings programmes, the capital programme, treasury management, medium term financial plans and the Council's communications strategy (noting this is not an exhaustive list)?
- Does the Annual Governance Statement reflect significant developments between 31 March 2020 and the finalisation of the accounts? Does the AGS describe emergency governance arrangements for decision making, the postponement of elections, the transition to virtual meetings and plans for the return to normal democratic processes?

Non-current asset valuations

- There has been a significant increase in volatility and uncertainty in markets following the outbreak of Covid-19. RICS has issued a Valuation Practice Alert following the pandemic, and we are aware a significant number of valuers are including 'material valuation uncertainty' disclosures within their reports. Has the Council assessed the impact of such comments, reflected 'material valuation uncertainty' disclosures within the financial statements and taken account of the requirement of Code paragraph 3.4.2.90 to provide appropriate disclosure in their financial statements in relation to major sources of estimation uncertainty?

Non-current asset valuations

- The Council is required to make an assessment at the end of each reporting period as to whether there is any indication that assets may be impaired. There are several types of event or change in circumstance that could indicate an impairment may have occurred, including evidence of obsolescence or physical damage or a commitment to undertake a significant reorganisation. Has the Council assessed whether the impact of the pandemic may have triggered impairments?
- Has the Council considered these matters in relation to Investment Property held? Potentially more so for 2020/21, there may be significant declines in asset carrying values, especially for investments in retail or office premises.

Impairment of receivables

- IFRS 9 *Financial Instruments* introduced an expected credit loss model for financial assets which drives earlier recognition of impairments. Has the Council assessed the impact of the pandemic on its expectation of credit losses?
- Impairment of statutory Council Tax and Non-domestic rate debtor balances is also possible. Has the Council observed a measurable decrease in estimated future cashflow, for example an increase in the number of delayed payments? Has the Council considered whether recent historical loss experience across aged debt may also need revision where current information indicates the historical experience doesn't reflect current conditions? Experience following the 2008/09 financial crisis may prove to be a useful reference point, given the ensuing recession conditions.

Events after the reporting period

- By 31 March 2020 enough was known about the pandemic for accounts preparers and market participants to reflect and, if necessary, adjust assumptions and assessments. By the end of March 2020, it would be extremely difficult to say that the pandemic was not an event that existed and therefore any accounting impact that occurred after this date is not an adjusting event.
- Has the Council distinguished between subsequent events that are adjusting (i.e. those that provide further evidence of conditions that existed at the reporting date) and non-adjusting (i.e. those that are indicative of conditions that arose after the reporting date)? Has the Council got arrangements in place to assess events up to the date the final accounts are authorised for issue?

Sources of estimation uncertainty

Has the Council identified the assumptions required about the future and estimates at the end of the current reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year? Have these been appropriately disclosed in accordance with the requirements of IAS 1 paras 125-133?

2019/20 financial statements are being prepared in an environment of heightened uncertainty as a result of the pandemic and the situation is evolving and fast moving. We have drawn out some of the key considerations for local authority financial reporting here, but further details can be found in our full report available on the Grant Thornton website:

<https://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/publication/2020/impact-of-covid19-on-financial-reporting-local-government-sector.pdf>



Guide for Audit and Risk Committees on Financial Reporting and Management during Covid-19 – National Audit Office

In June the National Audit Office (NAO) published a guide that “aims to help audit and risk committee members discharge their responsibilities and to examine the impacts on their organisations of the Covid-19 outbreak. It is part of a programme of work undertaken by the NAO to support Parliament in its scrutiny of the UK government’s response to Covid-19.”

The NAO report notes “Audit and risk committees are integral to the scrutiny and challenge process. They advise boards and accounting officers on matters of financial accountability, assurance and governance, and can support organisations, providing expert challenge, helping organisations focus on what is important, and how best to manage risk.

Each organisation will have existing risk management processes in place, but risk appetite may have changed as a result of Covid-19, for the organisation to operate effectively and respond in a timely manner. This may result in a weakening of controls in some areas, increasing the likelihood of other risks occurring. Organisations will need to consider how long this change in risk appetite is sustainable for.”

The NAO comment “This guide aims to help audit and risk committee members discharge their responsibilities in several different areas, and to examine the impacts on their organisations of the Covid-19 outbreak, including on:

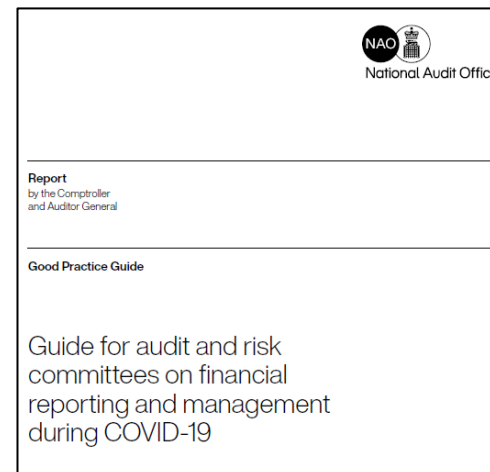
- annual reports;
- financial reporting;
- the control environment; and
- regularity of expenditure.

In each section of the guide we have set out some questions to help audit and risk committee members to understand and challenge activities. Each section can be used on its own, although we would recommend that audit and risk committee members consider the whole guide, as the questions in other sections may be interrelated. Each individual section has the questions at the end, but for ease of use all the questions are included in Appendix One.

The guide may also be used as organisations and audit and risk committees consider reporting in the 2020-21 period.”

The full report can be obtained from the NAO website:

<https://www.nao.org.uk/report/guidance-for-audit-and-risk-committees-on-financial-reporting-and-management-during-covid-19/>



Kickstarting Housing – Grant Thornton and Localis

In July Grant Thornton Head of Local Government, Paul Dossett, wrote an essay, included as part of a collection in the Localis report – “Building for renewal: kickstarting the C19 housing recovery”.

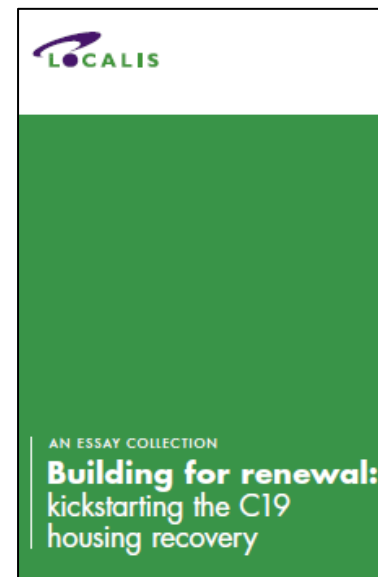
Paul asked “So how do we address “the housing crisis” in the context of an existential threat to the British economy? Just as importantly, how do we ensure our key workers, our new heroes of the Thursday night applause, are front and centre of such a response. Paul suggested that the housing response needs to move away from the piecemeal towards a comprehensive and strategic response, with five key pillars with the key worker demographic at its heart:

- **Public housebuilding.** This will involve more borrowing, but we need a bold and ambitious target to build at least one million new public sector properties at social rents by 2025. This should involve a comprehensive and deep partnership between Homes England and local authorities and underpinned by a need to minimise the carbon footprint.
- **Private sector housing needs a rocket boost** with massive Government supported investment in modern methods of construction and consideration of required workforce needed to meet capacity. This needs to go hand in hand with a major recruitment drive into all facets of the housing industries. This should include national and local training initiatives to support workers from the service sectors who are very likely to lose their jobs because of the pandemic.
- **Strategic authorities based on existing local government footprints** across the country to remove the inconsistent patchwork quilt of current arrangements so that there is consistency between local, county and national strategic priorities. They should be legally tasked and funded for development of comprehensive infrastructure plans to support housing initiatives in their areas with a strong remit for improving public transport, supporting green energy initiatives and developing public realms which create a sense of community and belonging.
- **Building on existing initiatives to improve security of tenure and quality of accommodation,** a new partnership is needed between landlord and tenants that provides a consistent national/regional footing to ensure that housing is a shared community responsibility. This should, like the response to the pandemic, be part of a shared community narrative based on state, business and local people.

- Putting key workers at the heart of the Housing strategy. The country appears to have discovered the importance of key workers. The people that keep the country running and whose contribution is never usually recognised financially or in terms of social esteem. There are several existing key worker accommodation initiatives, but they are local and piecemeal. We need a comprehensive strategy which focuses on key worker needs, including quality of accommodation, affordable mortgages/ rents, proximity to workplaces and above all , a sense of priority on the housing ladder for those who keep the country running in good times and bad and are the best of us in every sense.

Paul concluded “Housing is a basic need and if key workers feel valued in their place in housing priorities, we will have made a giant step forward.

Key workers are not the only group in need of help of course. Utilising the momentum behind keyworkers that their role in Covid-19 has brought into focus, could help kickstart housing initiatives that help all those in need.”



The full report can be obtained from the Grant Thornton website:

<https://www.grantthornton.co.uk/en/insights/homes-fit-for-heroes-affordable-housing-for-all/>

Place-Based Growth - 'Unleashing counties' role in levelling up England' – Grant Thornton

In March Grant Thornton launched a new place-based growth report 'Unleashing counties' role in levelling up England. The report, produced in collaboration with the County Councils Network, provides evidence and insight into place-based growth through the lens of county authority areas. It unpacks the role of county authorities in delivering growth over the past decade through: desk-based research, data analysis and case study consultations with 10 county authorities (Cheshire East, Cornwall, Durham, Essex, Hertfordshire, North Yorkshire, Nottinghamshire, Oxfordshire, Staffordshire, Surrey).

The report reveals:

- Growth, as measured by Gross Added Value (GVA), in county areas has lagged behind the rest of the country by 2.6% over the last five years. GVA in the 36 county areas has grown by 14.1% between 2014 and 2018, compared to 16.7% for the rest of England.
- In total, 25 of these counties have grown at a rate slower than the rest of the country. The research finds no north-south divide, as the county areas experiencing some of the smallest economic growth are Herefordshire (5.3%), Oxfordshire (5.6%) and Cumbria (8.2%), Gloucestershire (9.2%), and Wiltshire (9.7%) – showing that one size fits all policies will not work.
- Some 30 of the 36 county authority areas have workplace productivity levels below the England average. At the same time, counties have witnessed sluggish business growth, with county authorities averaging 7.9% growth over the last five years – almost half of that of the rest of the country's figure of 15.1% over the period 2014 to 2019.

To address these regional disparities in growth and local powers, the report's key recommendations include:

- Rather than a focus on the 'north-side divide', government economic and investment assessments should identify those places where the economic 'gap' is greatest – Either to the national average or between different places – and focus investment decisions on closing that gap and levelling up local economies.

- The devolution white paper must consider how devolution of powers to county authorities could assist in levelling-up the country. This should include devolving significant budgets and powers down to councils, shaped around existing county authorities and local leadership but recognising the additional complexity in two-tier local authority areas and whether structural changes are required.

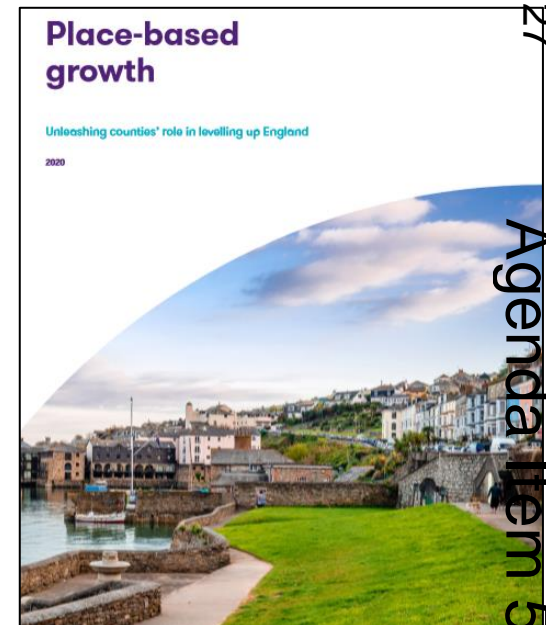
- Growth boards should be established in every county authority area. As part of this a statutory duty should be placed on county authorities to convene and coordinate key stakeholders (which could include neighbouring authorities). These growth boards should be governed by a national framework which would cover the agreed 'building blocks' for growth – powers, governance, funding and capacity.

- Planning responsibilities should be reviewed with responsibility for strategic planning given to county authorities. In line with the recently published final report of the Building Better, Building Beautiful Commission, the government should consider how county authorities, along with neighbouring unitary authorities within the county boundary, could take a more material role in the strategic and spatial planning process.

- The National Infrastructure Commission should ensure greater consideration of the infrastructure requirements in non-metropolitan areas. Their national infrastructure assessments could consider how better investment in infrastructure outside metropolitan areas could link to wider growth-related matters that would help to level up the economy across the country.

The full report can be obtained from the Grant Thornton website:

<https://www.grantthornton.co.uk/en/insights/unleashing-counties-role-in-levelling-up-england/>



CIPFA – Financial Scrutiny Practice Guide

Produced by the Centre for Public Scrutiny (CfPS) and CIPFA, this guide provides guidance to councils and councillors in England on how they might best integrate an awareness of council finances into the way that overview and scrutiny works.

The impact of the Covid-19 pandemic on council finances, uncertainty regarding the delayed fair funding review and future operations for social care – on top of a decade of progressively more significant financial constraints – has placed local government in a hugely challenging position.

For the foreseeable future, council budgeting will be even more about the language of priorities and difficult choices than ever before.

This guide suggests ways to move budget and finance scrutiny beyond set-piece scrutiny 'events' in December and quarterly financial performance scorecards being reported to committee. Effective financial scrutiny is one of the few ways that councils can assure themselves that their budget is robust and sustainable, and that it intelligently takes into account the needs of residents.

Scrutiny can provide an independent perspective, drawing directly on the insights of local people, and can challenge assumptions and preconceptions. It can also provide a mechanism to ensure an understanding tough choices that councils are now making.

This paper has been published as the local government sector is seeking to manage the unique set of financial circumstances arising from the Covid-19 pandemic. This has resulted, through the Coronavirus Act 2020 and other legislation, in changes to local authorities' formal duties around financial systems and procedures.

The approaches set out in this guide reflect CfPS and CIPFA's thinking on scrutiny's role on financial matters as things stand, but the preparation for the 2021/22 budget might look different. CfPS has produced a separate guide to assist scrutineers in understanding financial matters during the pandemic



The full report can be obtained from CIPFA's website:

<https://www.cipfa.org/policy-and-guidance/reports/financial-scrutiny-practice-guide>

Future Procurement and Market Supply Options Review – Public Sector Audit Appointments

Public Sector Audit Appointments (PSAA) has commissioned an independent review of the sustainability of the local government audit market. The review was undertaken by an independent consultancy, Touchstone Renard.

PSAA note that the report “draws on the views of audit firms active in the local authority market as well as others that are not. In doing so it identifies a number of distinctive challenges in the current local audit market. In particular it highlights the unprecedented scrutiny and significant regulatory pressure on the auditing profession; the challenges of a demanding timetable which expects publication of audited accounts by 31 July each year; and the impact of austerity on local public bodies and its effect on both the complexity of the issues auditors face and the capacity of local finance teams”.

Key findings in the report include:

- A lack of experienced local authority auditors as the main threat to the future sustainability of the market.
- It will be difficult to bring the non-approved firms into the market.
- Of the nine approved firms, only five have current contracts with PSAA.
- Almost all of the approved firms have reservations about remaining in the market.
- Firms perceive that their risks have increased since bids were submitted for the current contracts.
- The timing of local audits is problematic.

Key issues for the next procurement round include:

- Number of lots and lot sizes.
- Lot composition.
- Length of contracts.
- Price:quality ratio.

The report notes that “PSAA will need to balance the views of the firms with wider considerations including the needs of audited bodies and the requirement to appoint an auditor to every individual body opting in to its collective scheme”.



The full report can be obtained from the PSAA website:

<https://www.psa.co.uk/wp-content/uploads/2020/03/PSAA-Future-Procurement-and-Market-Supply-Options-Review.pdf>

© 2020 Grant Thornton UK LLP. Confidential and information only.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. This proposal is made by Grant Thornton UK LLP and is in all respects subject to the negotiation, agreement and signing of a specific contract/letter of engagement. The client names quoted within this proposal are disclosed on a confidential basis. All information in this proposal is released strictly for the purpose of this process and must not be disclosed to any other parties without express consent from Grant Thornton UK LLP.

Date: 15th September 2020**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. RECOMMENDATION2.1 **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 to be 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 31st July 2020 against the performance indicators agreed for the service and further information on other aspects of the service delivery.

Date: 15th September 2020**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

Summary Dashboard 2020/21:

Total reviews planned for 2020/21 (originally)	16 (minimum)
Reviews finalised to date for 2020/21:	1
Assurance of 'moderate' or below:	1
Reviews awaiting final sign off:	0
Reviews ongoing:	6
Reviews to be completed:	8
Number of 'High' Priority recommendations reported:	0
Satisfied 'High' priority recommendations to date:	0
Productivity:	50% (against targeted 74%)
Overall plan delivery to date:	14% (against target >90%)

One report has been finalised since the last sitting of the Committee and is 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 31st JULY 2020

One review that has been finalised since the last Committee sitting is:

- The Orb

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

- Leisure Contract Management (Clearance)

Reviews progressing through scoping and testing stages included:

- Health and safety
- Use of Agency and Consultants
- Debtors
- Creditors
- Treasury Management

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

A rolling testing programme on key core financial areas will take place during quarters 2 and 3 inclusive. The rolling testing programme results are being amalgamated at the end of quarter 3 and formal audit reports will be issued with any findings during quarter 4.

The 2020/21 plan reflects the delayed start and certain lesser risk reviews will need to be rolled to next years plan. Priority will be given to potentially higher risk areas e.g. limited assurance audits. As we return to the new normal the impact of

Date: 15th September 2020**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

restrictions of the COVID-19 lockdown on the plan will be closely managed as the year progresses. The plan for 2020/21 will therefore remain very flexible but the core financial areas of the business will be considered and reported on and there is sufficient coverage for the Head of Internal Audit to provide an overall opinion. Committee will be regularly informed of developments throughout the year and any variations to the plan will be overseen by the Executive Director 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 in regard to 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 a number of 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.

Follow up reviews are an integral part of the audit process. There is a rolling programme of review that is undertaken to ensure that there is progress with the implementation of the agreed action plans. The outcome of the follow up reviews will be reported in full from July 2020 onwards 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 in regard to follow up and reduce the number of revisits necessary to confirm the recommendations have been satisfied.

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 31st July 2020 a total of 55 days had been delivered against an overall target of 400 days for 2020/21.

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.

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

Date: 15th September 2020**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

- 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.
- Investigations

National Fraud Initiative

- 3.6 There has been on going work undertaken in regard to the National Fraud Initiative. This year is the 2 yearly cycle of data extraction and uploading to enable matches to be reported. Worcestershire Internal Audit Shared Service (WIASS) has a coordinating role in regard to this investigative exercise for Redditch Borough Council. An upload of Council Tax single person discount and Election data took place in January 2020 and was overseen by WIASS. A further substantial upload of data is due to take place between October 2020 and December 2020.

Monitoring

- 3.7 To ensure the delivery of the 2020/21 plan and any revision required there will be close and continual monitoring of the plan delivery, forecasted requirements of resource – v – actual delivery, and where necessary, additional resource will be secured to assist with the overall Service demands. The Head of Internal Audit Shared Service remains confident his team will be able to 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' and 'medium' risk. Due to changing circumstances and the impact of the COVID-19 pandemic a variation in the plan will be required. This will be agreed on a risk priority basis with the s151 Officer as the year progresses. With any adjustment to the plan there will remain comprehensive audit coverage for 2020/21.

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. Further improvement will be identified through the self assessment process which was carried out during August 2020 and will be reported to Committee.

Customer / Equalities and Diversity Implications

- 3.9 There are no implications arising out of this report.

Date: 15th September 2020**AUDIT, GOVERNANCE & STANDARDS COMMITTEE**

- 3.10 The Worcestershire Internal Audit Shared Service (WAISS) is committed to providing an audit function which conforms to the Public Sector Internal Audit Standards.
- 3.11 We 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.
- 3.12 WAISS 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

6. BACKGROUND PAPERS

Individual internal audit reports are held by Internal Audit.

7. KEY

N/a

AUTHOR OF REPORT

Name: Andy Bromage
Head of Internal Audit Shared Service
Worcestershire Internal Audit Shared Service
Tel: 01905 722051
E Mail: andy.bromage@worcester.gov.uk

REDDITCH BOROUGH COUNCILDate: 15th September 2020AUDIT, GOVERNANCE & STANDARDS COMMITTEEAPPENDIX 1Delivery against Internal Audit Plan for 2020/211st April 2020 to 31st July 2020

Audit Area	Original 2020/21 PLAN DAYS	Forecasted days to the 30 th September 2020	Actual Days used to 31 st July 2020
Core Financial Systems (see note 1)	90	7	5
Corporate Audits	78	27	18
Other Systems Audits(see note 2)	178	67	21
SUB TOTAL	346	101	44
Audit Management Meetings	20	10	6
Corporate Meetings / Reading	9	5	2
Annual Plans, Reports and Audit Committee Support	25	12	3
Other chargeable			
SUB TOTAL	54	27	11
TOTAL	400	128	55

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 continues for Debtors and Creditors to maximise coverage and sample size. The results will be reported during Q4.

Note 2

A number of the 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 overall plan.

REDDITCH BOROUGH COUNCILDate: 15th September 2020**AUDIT, GOVERNANCE & STANDARDS COMMITTEE****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 31 st July 2020)		Frequency of Reporting
Operational					
1	No. of audits achieved during the year	Per target	Target = 16 (Minimum) Delivered = 1		When Audit Committee convene
2	Percentage of Plan delivered	>90% of agreed annual plan	14%		When Audit Committee convene
3	Service productivity	Positive direction year on year (Annual target 74%)	50% (Q1 average)		When Audit Committee convene
Monitoring & Governance					
4	No. of 'high' priority recommendations	Downward (minimal)	Nil to date (2019/20 = 12)		When Audit Committee convene
5	No. of moderate or below assurances	Downward (minimal)	1 (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)	Nil returns to date		When Audit Committee convene

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

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

APPENDIX 3

2020/21 Audit Reports.

Appendices A & B are indicated below and are applied to all reports. To save duplication these have been produced once and listed below for information but can also be applied to Appendix 4.

Appendix A
Definition of Audit Opinion Levels of Assurance

Opinion	Definition
Full Assurance	The system of internal control meets the organisation's objectives; all of the expected system controls tested are in place and are operating effectively. No specific follow up review will be undertaken; follow up will be undertaken as part of the next planned review of the system.
Significant Assurance	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. 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.
Moderate Assurance	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 it's objectives. Assurance can only be given over the effectiveness of controls within some areas of the system. Follow up of high and 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.
Limited Assurance	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. Follow up of high and 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.
No Assurance	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. Follow up of high and 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.

Appendix B

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Definition of Priority of Recommendations

Priority	Definition
High	<p>Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives.</p> <p>Immediate implementation of the agreed recommendation is essential in order to provide satisfactory control of the serious risk(s) the system is exposed to.</p>
Medium	<p>Control weakness that has or is likely to have a medium impact upon the achievement of key system, function or process objectives.</p> <p>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.</p>
Low	<p>Control weakness that has a low impact upon the achievement of key system, function or process objectives.</p> <p>Implementation of the agreed recommendation is desirable as it will improve overall control within the system.</p>

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Worcestershire Internal Audit Shared Service



Final Internal Audit Report

The Orb 2020/21

Thursday 27th August 2020

Distribution:

To: Head of Transformation
Communications and Marketing Manager
ICT Transformation manager
Web Developer
Senior Communications and Marketing Officer

CC: Chief Executive

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Contents

1. Introduction	11
2. Audit Scope and objective	12
3. Audit Opinion and Executive Summary	12
4. Detailed Findings and Recommendations	13
Independence and Ethics:	17
APPENDIX A	Error! Bookmark not defined.
APPENDIX B	Error! Bookmark not defined.

1. Introduction

The audit of the orb was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2020/21 as presented as Draft to the Audit, Governance and Standards Committee on 30th January 2020 awaiting approval due to Covid-19 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 orb as operated by Redditch Borough Council and Bromsgrove District Council.

- 1.1. This area of review covers the internal document and communication system which underpins the Governance of the Councils.
- 1.2. The following Strategic risks were relevant to this review:
 - ICT4 - Breach of Data Protection – disclosure of data / staff not aware of guidelines.
 - COR13 - IT systems and infrastructure has a major failure.
- 1.3. This review was under during the months of May and June 2020.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

2. Audit Scope and objective

- 2.1. This review has been undertaken to provide assurance that Redditch Borough Council and Bromsgrove District Council
- Have a communication hub for internal staff which is fit for purpose and is set at an appropriate level to provide a robust environment for information sharing.
 - The Orb is a shared point system which is user friendly, relevant to the needs of the service areas and is fit for purpose.
- 2.2. The scope covered:
- The Orb system – (Framework, procedures and security)
 - Documentation and use of the Orb.
- 2.3. This reviewed covered the orb system in its current state at the time of the audit taking place.
- 2.4. This review did not cover specific service areas such as IT, but did cover the orb as a whole.

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 are not operating effectively therefore increasing the risk that the system will not meet its objectives.
- 3.3. The review found the following areas of the system were working well:
- Microsoft shared point is a robust and tangible system with a lot of positive assets.
 - As the system is a Microsoft package, there is a tangible framework in place by Microsoft.
 - The oracle has been and is a positive tool for staff to gain notifications

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

- My orb space is a good area for staff to customise their own space to add favourite links.
- Corporate communications have been working well.
- The layout for links to programmes such as HR21 has been an asset for staff to navigate through quickly.

3.4. The review took place during Covid-19 and due to this the auditor also found during the crisis the following worked well: -

- Oracle newsletters have been sent daily via email to staff.
- A specific section named “Covid Announcements” was created on the orb to update staff that do not receive the oracle newsletter. .

3.5 The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section Recommendation number	4
Ownership	Medium	1	
User Friendly	Medium	2	
Orb Communication	Low	3	

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.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action plan
New matters arising					
1	M	<p>Ownership</p> <p>The review found that there is no true ownership for the development of the orb and it is driven by services requirements rather than being driven by the needs of the Council as a whole.</p> <p>Testing of the Orb found:</p> <ul style="list-style-type: none"> • There are corporate areas that are empty • Policies are stored in various places • Documents have no dates to know how old they are or if they are out of date • There is no cleansing of the documents and therefore some are beyond their retention date <p>There is no corporate policy for the use of the Orb. There is only a mention within the ICT policy from a security perspective.</p> <p>There is no project or plan in place for the development of the orb. Although it is accepted and acknowledges by IT that there has been some natural development in the last 10 years of the orb being used.</p>	<p>With no ownership of the Orb there is no drive to develop the system further leading to a shared area that is not fit for purpose has no corporate identity and becomes an out of date resource that is not fully utilised.</p>	<p>An assessment to be undertaken on whether a corporate steer is required to drive the orb forwards with a strategic action plan, to shape how the orb is to be used over the next several years.</p> <p>This needs to include exactly what the organisation wants a corporate shared area to achieve and how best to achieve this, especially with the introduction of a new windows platform and Microsoft packages. It should also allocate ownership for the delivery of any proposals.</p>	<p>Responsible Manager: -</p> <p>Head of Transformation, OD & Digital Services</p> <p>Senior Marketing & Communications Officer</p> <p>Implementation Date: - April 2021.</p> <p>An intranet strategy and action plan will be developed to outline the future direction of the ORB.</p>

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

		As the orb is the heart of the council for all internal staff to connect, there is a risk that the purpose of the orb is being lost.			
2	M	<p>User friendly</p> <p>Testing found that employees rated the communications section of the Orb and found this both informative and useful. However in relation to the governance and other documentation held on the orb testing of 10 employees found:</p> <ul style="list-style-type: none"> • 7 stated the orb is not user friendly and they did not get on well with the current design of the homepage or corporate pages. • 7 stated the orb is too wordy and could do with a facelift to enable users to quickly find information. • 7 found it difficult to navigate through the Orb website and find it difficult to locate information they seek to find. <p>In addition</p> <p>Search functionality : -</p> <p>1.) There are weaknesses within the SMART intelligence of the search functionality, instead of</p>	<p>Resource time used searching for documents, reputational damage if out of date policies are used and a live system that is underused.</p> <p>Employees are not having the correct platform to voice their opinions to help improve the system further.</p>	<p>Survey the staff in order to get a full understanding of their requirements in relation to a shared area for reference material and Governance Policies.</p> <p>The results should be built into the review above.</p>	<p>Responsible Manager: - IT Manager</p> <p>Implementation Date: - Feb 2021</p> <p>Create a user group of internet and intranet staff to look at out of date content and how it will be resolved by their departments. Members of this group to agree an action plan with their respective Head of Service if content is out of date. The content on the Intranet is the responsibility of each service area.</p> <p>The Web Team will look at the site design and make the search more user friendly. Training will also be</p>

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

		<p>a defined search, the search engine pulls all information that may not be relevant to what the user has searched for, leading to the risk that the search option functionality is not fit for purpose.</p> <p>2.) When users conduct a search on the orb, it does not automatically put files in any type of date order and is not user friendly.</p> <p>3.) The search option will only pick up the file on a search if users know the exact file path or name of the file they are searching for.</p> <p>4.) No training was given to staff to allow staff to understand how to use the current search functionality fully.</p> <p>Surveys: -</p> <p>The review identified that the authority has not undertaken a survey since the orb has gone live.</p>			<p>provided through the user group. N Perrett and N Chapman will be the lead officers for this work.</p> <p>The Web Team will create a survey to address issues raised in this audit. N Perrett and J Carradine will be the lead officers for this work.</p>
3	L	<p>Orb communication</p> <p>Staff social communications -</p> <p>The staff social communication area on the orb was found to be a positive space for staff to be social about upcoming events.</p>	<p>If there are no preventions put in place, there is a risk of reputational damage to the authority.</p>	<p>Although there is an onus on trust, a review to be undertaken to assess if a control needs to be introduced where social</p>	<p>Responsible Manager: - IT Manager</p> <p>Implementation Date: - Feb 2021</p> <p>ICT to review what 'Microsoft Teams' may offer as an alternative</p>

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

		There is a small area of risk as there is no control in place to review a social post before submissions are made.		posts are reviewed and accepted before being posted, to keep a sound amount of monitoring in place, to avoid any potential negative outcomes.	to this social space which would remove this risk.
--	--	--	--	---	--

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 are able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented in order 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:

Worcestershire Internal Audit Shared Service



On and Off Street Parking 2018/19

2nd Follow-up Report - 15th May 2020

Distribution:

- To: Environmental Services Manager
Head of Environmental Services
Financial Services Manager
- Cc Deputy Chief Executive & Executive Director ~ Leisure, Environment & Community Services
Executive Director – Finance & Resources
Chief Executive

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Contents

Section A - Justification of Audit Follow-up Approach 19

Section B – Conclusion21

Section C – Current Postion 4

APPENDIX A 6

APPENDIX B 7

Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 12/03/2019 with the first follow up report on 23/09/2019 and is being followed up again because:

- 1 'high' priority recommendation remained outstanding after the first follow-up: and
- At least three months have passed since the previous follow-up:

Please note that a 'medium' priority recommendation implemented from the previous follow up has not been included in this report

The following audit approach has therefore been applied:

- The 1 'high' priority recommendation outstanding from the first follow up has been updated with the current position. (Please see Section C)
- Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Section B - Conclusion - Current Position statement

The original audit report gave **Moderate Assurance** over the control environment (**Please see Appendix A**) and this is the second follow-up. The first follow up report found that one 'medium' priority recommendation had been implemented, and one 'high' priority recommendation had been partially implemented.

The 2nd follow-up found that in relation to the remaining 'high' priority recommendation the Council has tried to action the recommendation and a meeting was held with a representative from Worcestershire County Council. However due to the fact that the representative had no knowledge of the background of the agreement, it was necessary to agree to arrange a further meeting for October 2020.

From the explanations received and the evidence provided/sought Internal Audit are of the opinion the risk remains and therefore a further follow up will be undertaken after the second meeting has taken place.

This follow up was undertaken during the month of April 2020.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Section C – Current Position

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position as at 23/09/2019</u>	<u>2nd Follow up Position as at 01/05/2020</u>
<p>1 High</p>	<p>On Street Parking Cost to the Council</p> <p>The Service Level Agreement with Wychavon District Council has an end date of March 2019.</p> <p>Redditch Borough Council need to start analysing the cost to the Council going forward both financial and non-financial.</p> <p>This information then needs to be reviewed in line with any additional costs and consequences e.g. TUPE, Complaints, involvement of Members in the decision if they were to decide to withdraw from the Wychavon and Worcestershire County Council Service Level Agreement as there is a two year notice period.</p> <p>If the service is to continue then close monitoring of costs and looking for potential savings needs to be undertaken on at least a quarterly basis.</p>	<p>Responsible Manager:</p> <p>Environmental Services Manager</p> <p>Agreed to investigate the possibility of extending the SLA with Wychavon until 2022 and undertake a full review of the SLA including staffing provision and expenditure.</p> <p>Quarterly financial meetings to take place with Wychavon to monitor costs and performance</p> <p>Head of Service, Portfolio Holder and Kevin Hirons to meet with the Worcestershire County Council to discuss the correct agency agreement with regards to costs to RBC.</p> <p>Implementation date:</p> <p>29th March 2019 – SLA/ Quarterly meetings</p> <p>May 2019 - meet with WCC</p>	<p>Partially implemented</p> <p>Meeting with Worcestershire County Council to discuss the correct agency agreement with regards to costs to Redditch Borough Council to occur in October 2019.</p> <p>Financial meetings to monitor costs and performance on a quarterly basis have started to take place where notes from the meeting have been provided as evidence.</p> <p>SLA has been implemented to continue with Wychavon until 2022 and full review of staffing provision and expenditure has been undertaken.</p>	<p>Partially Implemented</p> <p>Meeting with Worcestershire County Council took place in October 2019 to discuss the agency agreement with regards to the costs to Redditch Borough Council</p> <p>As the Principal Traffic Engineer was new and did not know the background of the agreement it was agreed that a further meeting would take place in October 2020.</p>

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Worcestershire Internal Audit Shared Service



Shop Mobility 2018/19

2nd Follow-up Report - 29th July 2020

Distribution:

To: Dial-A Ride - Community Transport and Shop Mobility Manager
Head of Community and housing Services

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Contents

Section A - Justification of Audit Follow-up Approach	19
Section B – Conclusion	21
Section C – Current Position	4
APPENDIX A	6
APPENDIX B	7

Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 25/01/2019 with the first follow up report on 17/09/2019 and is being followed up again because:

- 1 medium priority recommendation was still outstanding: and
- At least three months have passed since the previous follow-up:

Please note that recommendation implemented from the previous follow up have not been included in this report

The following audit approach has therefore been applied:

- The 1 medium priority recommendation still outstanding from the first follow up has been updated with the current position. (Please see Section C)
- Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

Section B - Conclusion - Current Position statement

The original audit report gave **Significant Assurance** over the control environment (**Please see Appendix A**) and this is the second follow-up. The first follow up report found that two medium recommendations had been implemented and one medium recommendation had not been implemented.

The implementation of the remaining recommendation has been delayed due to the covid-19 pandemic. However progress has been made and the draft specification has been written. As the recommendation has only been partially implemented a further follow-up will take place in 3 months time.

This follow up was undertaken during the month of July 2020

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Section C – Current Position

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position as at 04/09/2019</u>	<u>2nd Follow up Position as at 29th July</u>
1 Medium	<p>Maintenance Contract</p> <p>Ensure the Shopmobility maintenance contract is re-tendered in accordance with the Procurement Code, to ensure the Council is achieving best value.</p>	<p>Management Response:</p> <p>A new maintenance contract will be entered into following RBC procurement rules. The current contract expires 27th June 2019</p> <p>Responsible Manager: Head of Community Services. Service Manager responsibility to be determined following a service review.</p> <p>Implementation date: 31st March 2019</p>	<p>Not implemented</p> <p>The contract has not yet been re-tendered, and will be actioned upon the start of a new Shopmobility manager within the role. The procurement exercise is expected to be completed by February 2020, to commence in June 2020. The current contract has been extended under the existing terms until this time.</p> <p>Therefore a further follow-up is recommended in February 2020 to review the completion of this process.</p>	<p>Partially Implemented</p> <p>This has been delayed due to Covid-19.</p> <p>However the draft specification has been written and this will be added to the Council's etendering portal in August 2020.</p>

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Worcestershire Internal Audit Shared Service



**Cemeteries and Crematorium –
Financial Controls, the Maintenance Programme and Succession Planning
Redditch Crematorium 2019/20**

1st Follow-up Report - 30th June 2020

Distribution:

To: Bereavement Services Manager
Cc: Environmental Services Manager
Head of Environmental Services

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Contents

Section A - Justification of Audit Follow-up Approach	26
Section B - Conclusion - Current Position statement	26
Section C – Current Position – (please see Appendix B for definition of priorities)	27
APPENDIX A	Error! Bookmark not defined.
APPENDIX B	Error! Bookmark not defined.

Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 24/09/2019 and is being followed up because:

- 1 medium priority recommendation was made: and
- At least six months have passed since the Audit.

The following audit approach has therefore been applied:

- The 1 medium priority recommendation has been updated with the current position. (Please see Section C)
- Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

Section B - Conclusion - Current Position statement

The original audit report gave **Significant Assurance** over the control environment (**Please see Appendix A**) and this is the 1st follow-up.

The follow up found that the one medium priority recommendation has been satisfactorily implemented. Invoices have been raised within a timely manner and there is resilience within the team to raise the invoices should the Bereavement Services Manager not be available. Monthly reconciliation will continue as the system review to pre populate the information is still pending launch.

There is currently no facility within the current finance system for the automatic escalation. Therefore there needs to be a contingency plan in place for when the Bereavement Manager is absent from work.

As the recommendation has been fully implemented there is no requirement for a further follow up.

This follow up was undertaken during the month of June 2020.

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

Section C – Current Position

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up</u> <u>Position as at 17th June 2020</u>
1 Medium	<p>Raising of Invoices</p> <p>Invoices to funeral directors were not issued in a timely manner due to lack of resourcing. In the short term look into getting help from other sources e.g. Debtors Team. Long term a more efficient system.</p> <p>There was a delay in a purchase Order being raised for a memorial as approval was needed by the manager who was on leave at the time.</p> <p>Undertake discussion with the payments team to assess the possibility for the purchase system to automatically escalate the authorisation of a purchase order within so many days to another relevant manager.</p>	<p>Responsible Manager: Bereavement Services Manager</p> <p>Action: Ensure additional resource is trained to reconcile and raise the monthly invoices as required.</p> <p>Implementation date: By 31st December 2019</p> <p>Action: Discuss with systems administration to see if an automated escalation for order approval can be implemented.</p>	<p>Implemented</p> <p>Two new Bereavement Services Technical Officers started January 2020. They are being trained and will ultimately be able to reconcile and raise invoices in due course.</p> <p>The Bereavement Services Manager has carried out the invoicing for the period September 2019 – May 2020. There was a very slight delay in invoicing for January 2020 due to resourcing. The Bereavement Services Development Officer also has functionality to cover this role.</p> <p>There is no availability in the current system for the automatic escalation of authorisation of a purchase order. There is currently a project being undertaken for the implementation of a new finance system.</p>

This page is intentionally left blank

REDDITCH BOROUGH COUNCIL**AUDIT, STANDARDS & GOVERNANCE COMMITTEE****15TH SEPTEMBER 2020****HOUSING INTERNAL CONTROLS – S151 UPDATE**

Relevant Portfolio Holder	Cllr Matt Dormer
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A

1. SUMMARY OF PROPOSALS

- 1.1 This provides a further progress report detailing the actions taken to deliver the improvements to Housing Internal Controls as recommended by Internal Audit reports and further identified by External Audit in 2018.

2. RECOMMENDATIONS

- 2.1 That Members consider the actions in place to provide assurance in relation to the weaknesses identified.
- 2.2 That Members request a further 6 monthly update on the implementation of actions contained within the reports.

3. KEY ISSUES**Financial Implications**

- 3.1 As Members are aware as a result of Internal Audit reports in 2016/17 in relation to Housing Capital and Post Contract appraisal functions a significant number of recommendations in relation to contract compliance, contract management and procurement processes were identified.
- 3.2 Actions taken in response to the recommendations included:
- Review of all contracts
 - Procurement Officer relocated within Legal
 - Appointed Specialist Officers
 - Review of delegations
 - Comprehensive mandatory training
 - Stock condition survey to be undertaken
 - Review of financial arrangements
- 3.3 Grant Thornton have noted that improvements have been made to procurement and contract management and further reports are being undertaken by Internal Audit to assess the actions undertaken.

REDDITCH BOROUGH COUNCIL**AUDIT, STANDARDS & GOVERNANCE COMMITTEE****15TH SEPTEMBER 2020**

- 3.4 This report aims to update and assure Members that recommendations from the Audit team have been implemented or have a clear timeline as to when they will be actioned.

Legal Implications

- 3.5 The Council has a number of statutory duties to fulfil as a social landlord. Officers are also required to comply with a number of corporate policies including financial regulations and contract procedure rules. The improvements being made will ensure the Council officers comply with the regulations and processes in place.

Service / Operational Implications

- 3.6 Members will be aware that the Council's internal audit team carried out two audit investigations into the operation of the Council's Housing Services. These were finalised in March 2017.
- 3.7 As a result of these audit investigations certain recommendations were made to officers in respect of the financial controls within the Housing Service and how improvements can be made. The Audit Standards and Governance Committee's role is to provide assurance to the Council on the effectiveness of its internal controls and governance arrangements that are in place to secure this.
- 3.11 Training and development has been undertaken for all personnel who have roles or responsibilities in procuring; letting and managing contracts. In addition, the financial regulations and contract procedure rules were refreshed to give further clarity.
- 3.20 All major contracts continue to be reviewed and regularised where they were found to be holding over or operating outside of a framework.
- 3.22 The Legal and Procurement team have rolled out procurement and contract procedure rules training to all forth tier officers and further contract management training will continue as refresher sessions for officers.
- 3.25 All new contracts are being negotiated in line with procurement and contract procedure rules and support and guidance given to ensure that the contracts include meaningful and measurable performance tools and milestones in conjunction with regular client contractor meetings.
- 3.31 Officers have updated the action plans to reflect the current position and these are attached to this report:
- Appendix A details all of the actions either implemented or with a clear timeline of delivery for the Capital Programme Audit

- Appendix B details all of the actions have been completed as shown in the update position.

Customer / Equalities and Diversity Implications

- 3.33 The improvements as recommended within the Internal Audit reports and the recent detailed operational and structural report to Executive will ensure that tenants receive a service that is compliant, safe and delivers good customer care.

4. RISK MANAGEMENT

- 4.1 The Councils corporate risk register reflects the issues and actions required to mitigate risk

5. APPENDICES

Appendix 1 - Housing Capital Programme
Appendix 2 - Post Contract Appraisal

6. BACKGROUND PAPERS

None.

7. KEY

None.

AUTHOR OF REPORT

Name: Jayne Pickering
email: j.pickering@bromsgroveandredditch.gov.uk
Tel.: 0152764252 Ext 1207.

This page is intentionally left blank

Housing Capital Programme – 2016/17
Worcestershire Internal Audit Shared Service

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 15 th February 2018 <u>1st Follow up</u>	Update September 2020
4.1 H	<p>Housing Capital Programme</p> <p>Original records must be obtained and reviewed in conjunction with major works that have been completed to date to determine:</p> <ul style="list-style-type: none"> *• works that have been completed • properties that require upgrades/improvements • the required budget to be included in the current 5 year programme (i.e. 2017 – 2021) and going forward to the 30 year plan ending 2041. 	<p>No response was expected from this audit</p>	<p>In progress</p> <p>A review was carried out on previous stock condition data held by the Capital Team. There was very little data held on component replacements with no robust strategy to replace major components with the housing stock that were either at their remaining life or in a very poor condition. The last meaningful stock condition survey was carried out by Savills in 2001. Savills were contacted and provided a copy of the document that they had compiled, However they did express concerns if this document was still being used as it was only initially intended for budgetary purposes only. The survey data did not hold data against individual properties and schemes that required improvement works.</p> <p>The Stock survey will collect a minimum of 20% data on the housing stock. This will provide a more accurate and</p>	<p>In Progress</p> <p>RIDGE LLP were procured to carry out a Stock Condition Survey in January 19.</p> <p>Phase 1 has been complete with 1272 surveys being completed. These consisted of blocks and independent assets. This represents a sample size of approximately 21%.</p> <p>Phase 2 of the project commenced on the 1st Oct 2019. We have currently surveyed the following stock including blocks as shown in the table below</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 15 th February 2018 1st Follow up	Update September 2020														
			<p>meaningful picture of the housing stock and to reflect changes that have occurred e.g. end of decent homes standard and compliance with the Housing Health & Safety Rating Standards.. Members have agreed funding of £150k from HRA capital to fund the stock condition survey.</p> <p>The stock condition will initially be completed on 20% of the housing stock ensuring a good representative sample of all archetypes has been surveyed and then will continue focusing on high risk properties.</p> <p>Reviews are being conducted on previous projects that have been completed to ensure that work has been completed to a satisfactory standard and that all necessary documentation in place. Once this review is completed the data will be uploaded into the new Asset Management system.</p> <p>We envisage the following to be completed on data collection</p> <p>20% to be surveyed by 31st March 2019 70% to be surveyed by 31st March 2020 100% to be surveyed by 31st March</p>	<table border="1" data-bbox="1809 279 2161 518"> <thead> <tr> <th>Asset Type</th> <th>Surveyed</th> </tr> </thead> <tbody> <tr> <td>Block</td> <td>601</td> </tr> <tr> <td>Bungalow</td> <td>521</td> </tr> <tr> <td>Flat</td> <td>1023</td> </tr> <tr> <td>House</td> <td>1557</td> </tr> <tr> <td>Maisonette</td> <td>11</td> </tr> <tr> <td>Grand Total</td> <td>3713</td> </tr> </tbody> </table> <p>This represents a sample size of approximately 63%</p> <p>Garages are currently being surveyed and a revised asset register has been compiled. The garages will be completed by the 21/2/20.</p> <p>Procurement requires early sight of planned works programme will ensure complaint contracts available for implementation.</p> <p>Update</p> <p>The stock condition survey is now complete; other properties will be surveyed when properties</p>	Asset Type	Surveyed	Block	601	Bungalow	521	Flat	1023	House	1557	Maisonette	11	Grand Total	3713
			Asset Type	Surveyed														
Block	601																	
Bungalow	521																	
Flat	1023																	
House	1557																	
Maisonette	11																	
Grand Total	3713																	

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> <u>1st Follow up</u>	<u>Update September 2020</u>
			<p>2021</p> <p>Until such time that we have robust plans to carry out planned capital works we will be reducing the spend on capital works and only carrying out necessary works following detailed surveys at properties and only where issues have been identified with meeting statutory legislation e.g. The Regulatory Reform (Fire Safety) Order 2005 and Control of Asbestos Regulations 2012.</p> <p>.</p>	<p>are void.</p> <p>All data on the blocks and properties has been validated and uploaded into the Asprey Test system</p> <p>We are now analysing and validating the data on the garages and car park sites</p> <p>Revised cost forecast reports have been completed for 30 years and passed to finance for review and budget planning.</p> <p>The remaining assets that were not surveyed will be completed by the in-house surveyors. This will be done as and when new projects are started and when we have void properties passed to the Capital Team. Delays due to COVID 19 and we are hoping that this will be</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
				<p>completed full during financial year 21/22</p> <p>We are still concentrating on compliance works as a priority and only completing major component replacements as and when required.</p>
4.2 H	<p>Budget Monitoring</p> <p>Consideration should be given to:</p> <ul style="list-style-type: none"> • Creating annual orders to commit expenditure. • Routinely incorporating work in progress in to the budget monitoring process to minimise the scope for overspends 	<p>No response was expected from this audit</p>	<p>In progress</p> <p>The Senior Contract Manager confirmed that he had met with the Housing Accountant and a revised process for monitoring capital spend agreed</p> <p>Expenditure on capital projects is committed and provisions have been made to take account of work:</p> <ul style="list-style-type: none"> • Ordered • In progress (WIP) • Completed but not yet invoiced • Completed and Invoiced • Paid <p>The Senior Contracts Manager will be responsible for monitoring all capital works expenditure. In the interim whilst</p>	<p>Implemented Complete</p> <p>For financial year 18/19 and going forward orders for capital works were placed using the Councils eProc financial system.</p> <p>This allowed better monitoring of budgets and expenditure.</p> <p>New contracts were also procured through frameworks to ensure that all works ordered complied with the Councils Procurement rules.</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
			<p>the new Housing Management System is being procured and mobilised, the Senior Contracts Manager will be using the financial system eProc and eFin to raise works orders which initially will be for multiple works against one project and contractor to better manage budgets and expenditure.</p> <p>Furthermore a new process of closing accounts on a quarterly basis is being developed by the Senior Contracts Manager and Finance. This will allow potential overspends to be better managed and also ensure that end of year accruals are minimised.</p> <p>This should ensure a more robust approach is followed.</p> <p>Changes to revenue spend is reliant on new Housing Management System.</p>	<p>Meetings were held with finance to ensure that expenditure was controlled and managed as per the budgets.</p> <p>No overspend on the budgets is envisaged for financial year 18/19.</p> <p>Procurement needs a full list of contract for the contracts register; we still do not have this complete.</p> <p>Also housing need to ensure all orders detail which framework we are utilising.</p>
4.3 H	<p>Budget Overspends</p> <p>When the budget has been reached it is practice to halt the works.</p> <p>However, it is not common practice to review the contract management arrangements. Failure to routinely do this</p>	<p>Where expenditure levels are at or exceeded the budget, then it would be prudent to confirm the reasons for this as opposed to just slowing or halting the works.</p>	<p>See above</p> <p>Regular budget monitoring reports (are produced, circulated and monitored by senior managers and the Portfolio Holder.</p>	

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
	will not determine if poor contract management was contributory factor in the budget level being prematurely reached/ exceeded.			
4.4 H	<p>Property Database</p> <p>For the purposes of accuracy and to ensure that the housing stock is maintained in accordance with the Decent Homes Standard, it is recommended that a central database is established.</p> <p>SAFFRON would be the obvious choice for storing property related data. However it is accepted that this is an old version of the application and has limitations.</p> <p>It may be appropriate to consider an alternative solution which will provide a 'fit for purpose' system that can be relied on and provide the requisite management information that will assist good decision making and justifiable actions.</p>	No response was expected from this audit	<p>In progress</p> <p>A new asset management system has been procured from Asprey Management Solutions Ltd.</p> <p>The asset management system will hold all relevant property information such as property archetype, ownership, status (i.e. sold or RTB) plus survey condition data, Decent Homes and Housing Quality Standard rules, local rules, installation dates, suggested replacement dates (based on survey data), planned replacement dates etc. This module allows an analysis of current and future positions in terms of Housing Quality standards, along with associated cost information, and via scenario planning, allows the user to determine the optimum route to reaching and maintaining the target</p>	<p>In Progress</p> <p>The new asset management system was procured in 2018 and is currently being developed in line with RBC requirements.</p> <p>The asset register is complete and a physical survey was carried out of all blocks to ensure we had the correct independent assets were attributed to the correct blocks.</p> <p>The component register has also been completed detailing all the major components that will be</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
			<p>level of decency/housing quality.</p> <p>The new system will also allow robust cost forecasting and budgeting for capital works, this can be done on a yearly basis or up to 30 years.</p> <p>The Senior Contracts Manager has been tasked with project managing the implementation of the new system. We envisage the system for initial data collection being in operation by Nov 18 and the full system operation from the 1st April 19.</p>	<p>collected during the stock condition surveys.</p> <p>We have also completed the component accounting schedule of rates which will inform RBC of the 30 year expenditure on the assets. The component accounting costs have also been verified externally and internally to ensure they are in line with industry costs.</p> <p>The rules and structures for Decent Homes, Housing health & safety rating standard and RdSAP have also been completed.</p> <p>The system is live in an external environment and will be formally moved over onto RBC servers once the garage surveys are complete.</p> <p>Work has also</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1 st Follow up	<u>Update September 2020</u>
				<p>commenced on the other modules that we have procured, namely;</p> <p>Fire Risk Assessments Legionella Asbestos Electrics Gas Servicing Inspection & Testing.</p> <p>The Senior Contracts Manager has been assigned as the Super User on the project and a team established to support the implementation of the modules.</p> <p>With the procurement of the new housing system this project has now been linked to the wider housing system project board to ensure that the project is managed in line with other business critical areas.</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> <u>1st Follow up</u>	<u>Update September 2020</u>
				<p>Update</p> <p>Information in now been loaded in to the Asprey System, this was delayed due to the COVID pandemic and We are now hoping the system is fully implemented by December 2020. This will be done through phased approach ensuring key modules are implemented first.</p> <p>Initial training has now been completed for the Super Users on System Administration and further training is being booked for other modules</p> <p>A test system is also now in operation that is currently going through User Acceptance Testing being led by the Capital Programmes & Contracts</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1 st Follow up	<u>Update September 2020</u>
				Manager.
4.5 H	<p>Contract extensions</p> <p>Contracts should only be extended in accordance with the Standard Terms and Conditions of the Contract and value for key must be a key driving factor.</p>	No response was expected from this audit	<p>Implemented</p> <p>Following the review of existing contracts and the suspension of all existing contracts subject to a full review a new process has been implemented to manage contract extensions.</p> <p>No contracts will be extended on the expiration date of existing contracts. All new procurement contracts have been procured in line with the Councils Corporate Procurement Procedure rules. Upon the anniversary of the contract expiration new contracts will have been procured ensuring that adequate time and resources are tasked prior to the contract end date allowing enough time to procure any new contracts.</p> <p>The Senior contracts Manager has been tasked with responsibility to procure all</p>	<p>Implemented/Ongoing</p> <p>All new contracts have been procured in line with the Councils Corporate Procurement procedure Rules via a number of frameworks. The contracts procured have been as follows</p> <p>Voids works. R&M Works. Asbestos removals. Asbestos surveying. Fire Stoppage Works. Stock condition surveys. Structural Surveys. Fire Risk assessments.</p> <p>The following tenders are in the process of being</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
			<p>new contracts and also keep an up to dated register of contracts with start and end dates which are regularly reviewed with the Procurement Officer.</p> <p>If for any reason a contract cannot be sought in line with Corporate Procedure Rules then a report will be compiled by the Senior Contracts Manager and Procurement Officer which will then only be approved by the Head of Service and the Management Team. This process will only be used in exceptional circumstances.</p>	<p>procured</p> <p>Electrical works Electrical compliance Electrical Upgrades Equipment & Adaptation Drains & Sewers Whole House Works Cyclical Painting Cleaning Regular meetings are held between the Senior Contracts Manager and Procurement officer to review contracts.</p> <p>Contracts still out of date (cleaning) or no complaint contracts in places (waste).</p> <p>Update</p> <p>Complete</p> <p>New contracts that have been procured in line with the Corporate Procurement Procedure rules are as follows</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> <u>1st Follow up</u>	<u>Update September 2020</u>
				<p>Asbestos Surveys Asbestos Removal EICR Compliance Cyclical painting Communal Painting Fire Safety Works Damp & Mould Growth Warden call Systems</p> <p>The following contracts are being drawn up and will be procured over the coming months</p> <p>Major Works Major Voids Kitchen & Bathrooms Communal Doors Door Access Solutions Electrical Heating Gas Heating Upgrades Aids & Adaptations</p>
4.6 H	<p>Work not exposed to competition</p> <p>This work should be exposed to competition without delay.</p>	No response was expected from this audit	<p>In progress</p> <p>During the initial audit it had been confirmed that work carried out in connection with aerial repairs had not been exposed to tender and there were questions being raised regarding the current providers qualification to do this</p>	<p>Implemented</p> <p>Complete</p> <p>All new contracts procured have select questions that are completed by the relevant</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 15 th February 2018 1 st Follow up	Update September 2020
			<p>work.</p> <ul style="list-style-type: none"> This work has not been tendered but is being examined with a view to including the works within the electrical contract procurement as a separate Lot. <p>Electrical contracts will be out for tender in November/December 2018. Industry standard specifications (NATFED) will be used (amended as necessary) for this purpose. These specifications are available under a subscription service and are updated to ensure all appropriate legislation, health & safety requirements etc. In future all contract specifications will follow this format starting with the Electrical contract.</p> <p>All future tenders will ensure that appropriate trade qualifications or membership of a professional body will be requested and confirmed as part of the tender/evaluation process.</p>	<p>tenderers which specifically look at competency of the contractor.</p> <p>These will involve qualifications, professional accreditations, references and industry experience and quality assurance systems.</p> <p>This will ensure only competent contractors bid for any works</p> <p>Robust procurement process for all new contracts. Use of frameworks where possible for full transparency.</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
4.7 H	<p>Contract Register</p> <p>Expired contracts must be tendered as a matter of urgency. Records held by both Procurement & Housing should be reviewed to ensure information is consistent and appropriate action is taken to prepare for letting the contract.</p>	<p>No response was expected from this audit</p>	<p>In progress</p> <p>All contracts have now been reviewed and the Senior Contracts Manager along with the Procurement Officer will be updating and reviewing the register on a regular basis.</p> <p>The contracts register will also be uploaded onto the Corporate procurement system Due North which will ensure that automatic updates will be sent to robustly manage the process.</p>	<p>Implemented</p> <p>Complete</p> <p>Training has been provided on the Corporate Procedure Rules and Financial Regulations to the Housing capital team</p> <p>Training was also delivered by Anthony Collins Solicitors on Contract Management.</p> <p>Contracts register is still not up to date with all contracts.</p>
4.8 H	<p>Procurement training</p> <p>All staff engaged in the procurement process should be adequately trained.</p>	<p>Inexperienced staff</p>	<p>In progress</p> <p>Training was provided to members of the Housing Capital team in May 2017 by the SCM.</p> <p>The Contract Group has identified council wide training to be delivered :</p> <ul style="list-style-type: none"> Contract Procedure Rules & Fin Regulations – delivered with mop up sessions available 	<p>Implemented</p> <p>Complete</p> <p>All training now undertaken and continue sessions to maintain knowledge.</p> <p>Training is taking place on Specifications and Scoring and Evaluation. Also we have Crown</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
		should not be preparing specifications unless there is an adequate level of supervision.	<ul style="list-style-type: none"> Contract Management Training – to be provided by HR Mandatory Procurement Training has now been undertaken and lists of all who attended has been issued to HOS. 	<p>Commercial Services coming in February 20 to discuss Frameworks</p> <p>Further mop up general training provided to new starters/those who have not attended. Further sessions will be made available.</p> <p>New general training will be rolled out Autumn 2020 following process mapping work with Black Radley.</p> <p>Specification template now available.</p>
	4.9 H	<p>Contract Specifications</p> <p>There is no formal process in place that identifies key contract stages/requirements in the contract letting process e.g.</p> <ul style="list-style-type: none"> Specification Advertising Method of evaluation Impact on other contracts Liaison with procurement Performance measures 	No response was expected from this audit	<p>Implemented</p> <p>New processes have been developed to ensure that any procurement of contracts has fit for purpose specifications for the work required.</p> <p>All procurement for contracts has detailed timelines which identify key milestones along with named officers who are required in the process. As all procurement is now being viewed</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
	<p>It is recommended for each contract a standard checklist is introduced that will help ensure that a disciplined approach is followed and, key elements have been identified.</p> <p>The checklist should also provide for management/senior officer review/sign off to provide assurance that key areas have been adequately addressed.</p>		<p>across the council this in turn will allow other departments who may use similar services to be part of the contract tender documentation. This negates the need to do multiple procurements for similar works ensuring a better streamlined process and value for money is being achieved.</p> <p>The Senior Contracts Manager is leading on this with support from the Procurement Officer to identify where procurement may overlap between different teams and departments.</p> <p>As mentioned in 4.7, contract specifications to be used in the future will now be standardised and up to date and available via a subscription service.</p>	<p>duplication of works is avoided.</p> <p>We are currently holding training courses on Specification writing.</p>
4.10 H	<p>Performance measures</p> <p>All contracts must include meaningful performance measures as indicated in the Contract Procedure Rules and be closely monitored as part of the overall contract management throughout the term of the contract.</p>	No response was expected from this audit	<p>Implemented</p> <p>A new suite of performance measures are in the process of being introduced on all new contracts</p>	<p>Implemented</p> <p>Complete</p> <p>Use of frameworks provides robust performance measures mechanisms – checks needed to ensure these are appropriately</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
				<p>monitored and used.</p> <p>No one is using the portal for contract management purposes.</p>
4.11 H	<p>Record retention/disposal</p> <p>Records must be retained as outlined in the procedure rules</p>	<p>No response was expected from this audit</p>	<p>Outstanding</p> <p>This is an area that has yet to be addressed by the Contracts Group and is now council wide and not restricted to Housing.</p> <p>A 'contract amnesty' was declared for the purpose of determining what contracts existed within the council which are not recorded anywhere & to establish an accurate position. This piece of work has been carried out by the Contract W and contracts have been identified. This is still an ongoing piece of work</p> <p>In the medium term council wide use of the procurement application DUENORTH will enable all records to be held both electronically and centrally.</p>	<p>The portal is still not up to date with contracts and documentation</p> <p>Update</p> <p>The final 5 signed contracts have now been sent to procurement and once loaded this action is complete</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
4.12 M	<p>Resilience</p> <p>It is recommended that the issue of resilience is factored into the process when these contracts are let.</p>	No response was expected from this audit	<p>In progress</p> <p>The contracts specifically electrical are go to be let in lots i.e. specific type of work. This will allow specialists, small, and multi skilled suppliers to tender. This will also help to provide resilience in this area.</p>	<p>In Progress</p> <p>Complete</p> <p>The electrical contract was procured though LOTS.</p>
4.13 M	<p>Contract / Procurement Guidance</p> <p>Procurement documents should be reviewed to ensure that guidance is; sufficient, consistent and that responsibilities are clearly defined</p>	No response was expected from this audit	<p>Implemented</p> <p>The Contract Procedure Rules (CPR) & the Financial Procedure Rules have been reviewed and came into force wef 1st April 2018.</p> <p>The audit report made specific reference to 'contract extensions' & 'novations' but neither appear in the revised CPR. However it is intended for these areas to be covered in the contract management training.</p> <p>Consideration was given to centrally locating all contract/procurement advice/documents etc. However it was felt that staff wishing to procure services should be encouraged to deal directly with the Procurement Officer that way there is a greater degree of certainty</p>	<p>Implemented</p> <p>Complete</p> <p>We are looking at updating the orb and website with further helpful information and documents.</p> <p>New specification template and outcome of Black Radley process mapping</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
			that advice given will be consistent and the scope for error minimised.	
4.14 M	<p>Procurement Unit</p> <p>It is recommended that the Procurement Officer liaises with Heads Of Service & staff involved with contracts to gauge views and ideas to determine an effective partnership going forward</p>	No response was expected from this audit	<p>In progress</p> <p>The Procurement Unit is now within Legal Service's and forms part of the new Commercial Team that includes solicitors.</p> <p>The Procurement profile has now been raised by this move. The Business Plan Template also requires that Procurement is involved at an early stage.</p> <p>Other Services (e.g. Environmental Services) are ensuring that advice is sought from Procurement prior to tendering.</p>	<p>Implemented and Continuing.</p> <p>Complete</p> <p>Process mapping work with Black Radley and procurements champions outcome now going to CMT to be signed off before roll out through new procurement training and suite of template documents.</p>

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>Position as at 15th February 2018</u> 1st Follow up	<u>Update September 2020</u>
4.15 M	<p>Contract Conditions</p> <p>It should not be accepted that the Council will meet these costs and as such these clauses should not be routinely incorporated into contracts.</p> <p>Consideration should also be given to having shorter contracts as opposed to the five year contracts that have been let.</p>	No response was expected from this audit	<p>Implemented</p> <p>Confirmed with both HOLM & SCM that future contracts will not provide for rpi increases.</p> <p>Again the use of a report will reinforce this requirement.</p>	<p>Implemented</p> <p>Complete</p> <p>No RPI increases as per previous contracts have been provided in new contracts that have been procured.</p>
4.16 M	<p>Whistleblowing Policy</p> <p>It is recommended that at the time contracts are exposed to tender, prospective tenderers are given an extract of the policy along with all other documents and the Policy is made easily available on the Council's website to encourage action if wrong doing is considered present.</p>	No response was expected from this audit	<p>In progress</p> <p>The Whistleblowing Policy (Confidential Reporting Policy) was reviewed and approved by Council in July 2016. The Policy appears in the staff handbook which is also part of the Constitution which can be found from the web site.</p> <p>Due to the suspension of contracts this recommendation has yet to be fully implemented. Though this should occur with the tendering for the Minor Civils contract which is due for tender imminently.</p>	<p>In progress.</p> <p>Complete</p> <p>Use of frameworks means procurement conducted by independent 3rd party organisations</p>

APPENDIX A

Definition of Priority of Recommendations

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

This page is intentionally left blank

APPENDIX B

**Post Contract Appraisal 2016/17
Worcestershire Internal Audit Shared Service**

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5th March 2018 1st Follow up	Update September 2020
4.1 H	<p>Performance Measures</p> <p>All contracts must include a meaningful set of measures that will allow contract performance to be effectively monitored.</p>	<p>Accepted</p> <p>As a starting point we will review all larger contracts to provide an assurance that where performance measures are included then they are monitored</p> <p>All new contracts will include meaningful performance measures and these will be monitored in conjunction with meetings scheduled with the contractor.</p> <p>Responsible Manager(s):</p> <p>Senior Contracts Manager Housing Property Services Manager Head of Environmental Services</p> <p>Implementation Date</p>	<p>Implemented</p> <p>Housing</p> <p>The Senior Contracts Manager will act as the Contracts Administrator on all contracts to ensure that all contracts are adequately administered and managed. All procurement contracts on Housing Property Contracts will now be underlined by signed contracts from the Joint Contracts Tribunal (JCT) suite of contracts. The Senior Contracts Manager along with the Team Leader – Contracts & Commercial will review all contracts before they are signed as per the delegated authorities within the Council.</p> <p>Recorded contractor monitoring meetings will be maintained along</p>	<p>Implemented.</p> <p>Senior Contracts Manager has been named as Contracts Administrator on all new contracts that have been procured for Housing Property.</p> <p>These are as follows:</p> <p>R&M Contract - AXIS Voids Contract – NOVUS Voids Contract – CLC Electrical Contract – Ortons Fire Safety – Fire Safe Asbestos Removal – EAS Asbestos Surveying – TERSUS Building Consultancy – RIDGE Fire Works – VENTRO</p> <p>All contracts have key measures built in to the contract documents and all contracts are from the JCT</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
		31 st May 2017	<p>with post inspections, to adequately manage and review performance measures</p> <p>Environmental Services</p> <p>See comments in 4.4</p>	<p>contract suite.</p> <p>Housing can utilise the Due North system to manage contracts, at present this is not being used.</p> <p>Use of frameworks provides robust performance measure mechanisms. Checks needed to ensure these are appropriately monitored and used.</p> <p>COMPLETE</p>
4.2 H	<p>Works Orders</p> <p>Orders for work should clearly state what is required together with measurements/quantities i.e. a clear schedule of requirement in regard to the job.</p>	<p>Accepted</p> <p>Works carried out under the Roofing Renewals contract are subject to pre-measurement. A post inspection process is also in place and this will identify non adherence to the procedures.</p> <p>Responsible Managers:</p> <p>Senior Contracts Manager Housing Property Services Manager Head of Environmental Services</p> <p>Implementation Date:</p>	<p>In Progress</p> <p>All new procurement of contracts are issued from the outset with a detailed specification and general condition of works to ensure that quality is not compromised. The contracts also have schedule of rates that are broken down into quantities of measurement to ensure that the costs are better understood and can be assessed more easily on contracts.</p> <p>Pre site meetings will be held with contractors to confirm the exact measurement and quantities of works are agreed prior to any works</p>	<p>Implemented</p> <p>All major works have pre inspections which are carried out jointly with RBC and the contractor.</p> <p>Detailed works are confirmed with a list of schedule of rates for each contract.</p> <p>Pre contract meetings are held with all parties concerned including Housing locality to ensure that there is sound understanding of the project and its purpose.</p> <p>Detailed schedule of rates are used on each contract along with a</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
			<p>starting on site.</p> <p>The contracts also have cost performance measures built in which will allow robust monitoring</p>	<p>detailed specification and measures of works.</p> <p>In order to ensure consistency across all contract the Nat Fed Schedule of rates is used which are industry standard.</p> <p>Consideration of use of the PFH Account card to log orders against operator to provide transparency</p> <p>Housing also need to include framework details on all orders to contractors used via a framework.</p> <p>COMPLETE</p>
	4.3 H	<p>Variation Orders</p> <p>All variations to the contract must be confirmed in writing with the contractor.</p>	<p>Accepted</p> <p>All staff involved in contract management have been instructed to confirm contract variations in writing.</p> <p>Responsible Manager:</p> <p>Senior Contracts Manager Housing Property Services Manager Head of Environmental Services</p>	<p>In Progress</p> <p>The new manager now responsible for this is the Senior Contracts Manager. All works are now assessed prior to any works starting on site and detailed schedule of rates are provided by the contractor</p> <p>Joint visits are conducted prior to any works starting with the contractor and the surveyors to</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
		<p>Implementation Date:</p>	<p>assess the full extent of works required and confirm the rates to be applied.</p> <p>Any variances on the contract are agreed at stage of identification and signed off on site by the surveyor and then approved by the Senior Contracts Manager prior to the works being varied on the contract. This is then followed up by an email to the contractor and details recorded against the contract to allow for future auditing.</p> <p>All variances are discussed as a performance measure as part of the contract management processes and recorded.</p>	<p>submitted by the contractor prior to any invoice being received. The costs are then cross referenced against the original tender sum and site visits carried out to confirm the works that have been completed. These are signed off by the surveyor(s) and certification checked to confirm it has been received. Once this is approved then this is sent to the Senior contract manager for approval where the information is checked again. Once this process is approved then the contractor is asked to submit their invoice</p> <p>COMPLETE</p>
4.4 H	<p>Contractor Meetings</p> <p>Whilst accepting that some contracts will lend themselves to more regularised meetings all contracts should include planned meeting frequencies (e.g. monthly, quarterly, six monthly) to ensure performance is effectively monitored.</p>	<p>Accepted</p> <p>Environmental Services</p> <p>In instances where there are no scheduled meetings e.g. Drain Clearance, there is regular contact with the contractor and a review of his work. However for all contracts there should be at least a minimum of an annual meeting to review performance and contract administrators will be asked to do</p>	<p>Implemented</p> <p>Environmental Services</p> <p>Drain Clearance contract to be re tendered mid 2018 & this will be included in the contract documentation – in this case a minimum of an annual formal meeting.</p> <p>Minor Civil Engineering contract is in</p>	<p>Minor Civil Engineering and Ancillary Works Contract awarded to successful tenderer - May 2018.</p> <p>Meetings already undertaken at three months' intervals as required, with performance indicators analysed.</p> <p>IMPLEMENTED</p> <p>It was agreed to extend the</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
	<p>All meetings should be minuted with action points agreed and, where appropriate, contractors held to account.</p>	<p>this.</p> <p>All new contracts will stipulate the meeting frequency in the documentation.</p> <p>Responsible Manager: Senior Contracts Manager Head of Environmental Services</p> <p>Implementation date:</p>	<p>progress. The tender documents have been prepared & passed to the Procurement Officer for review. Internal Audit have reviewed the documents & confirm that arrangements appear to be sound with the following appearing to be well covered</p> <ul style="list-style-type: none"> - Tendered rates based on measurements, quantities - Specifications of materials, type measurement etc. - Subcontracting requirements included - Insurance - Planned contractor meetings together with specimen agenda. <p>Seven number specific Performance Indicators have been included within Minor Civil Engineering and Ancillary Work Contract, and similarly within all future Contracts. These Performance Indicators will be analysed on a three month basis with the Contractor.</p> <p>See also 4.7</p>	<p>contract with current contractors for 12 months up until 31/3/20</p> <p>The Senior Contracts Manager will be procuring a new contract which will be completed by the end of this financial year with a start date of the 1st April 2020.</p> <p>Implemented</p> <p>As part of better contract management regular meetings (weekly/Monthly) have been set up with the contractor.</p> <p>These are held by either the surveyors or Senior Contracts Manager.</p> <p>The meetings discuss the following</p> <ul style="list-style-type: none"> Progress on works Variances Payments Health & safety Customer satisfaction Project Plan

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
		<p>Housing Services</p> <p>Regular meetings are now held with contractors. The Housing Capital & Repairs Maintenance Operations Manager is included in the circulation list for minutes and these are retained on the shared network drive.</p> <p>Responsible Manager:</p> <p>Housing Capital & Repairs Maintenance Operations Manager</p> <p>Implementation Date:</p> <p>30th April 2017</p>	<p>Housing Services</p> <p>Housing Services (update)</p> <p>Regular meetings set up for any new contracts</p>	<p>All meetings are recorded and minutes circulated to all parties</p> <p>New PfH contracts with scheduled monthly/2 weekly meetings to monitor performance.</p> <p>COMPLETED</p> <p>COMPLETED</p>
4.5 H	<p>Contractor Payments</p> <p>Payment terms to be in accordance with the contract and any variation investigated prior to payment.</p>		<p>Implemented</p> <p>Contractor payments are made in accordance with the signed contracts we have with the new contractors. All costs are verified prior to payment by the relevant managers.</p> <p>See section 4.3</p>	<p>Implemented</p> <p>No variances are agreed or approved without a detailed reason and subsequent site visit or report and photographs.</p> <p>See section 4,3 of this report</p> <p>COMPLETE</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
4.6 H	<p>Tender Evaluation</p> <p>Tender evaluation processes should be observed to maintain transparency in the process</p>	<p>Accepted</p> <p>Tender evaluation matrices must be completed to confirm that the contract award has been made in accordance with the award criteria.</p> <p>All officers involved with contract evaluation will be reminded of the need to follow this process.</p> <p>Responsible Manager:</p> <p>Head of Environmental Services</p> <p>Implementation Date</p>	<p>Implemented</p> <p>Confirmed that no further contracts relating to Stores & Supplies have been let & so this situation has not arising.</p> <p>The situation is the same within Stores, no contracts have been let however discussions are underway with Procurement to look at suitable frameworks for up and coming contracts. Stores Team Leader is aware of the need to undertake a full tender evaluation.</p>	<p>Procurement monitoring / checking scoring prior to award.</p> <p>No Tendered Contracts relating to Stores have been let in the last year, however there are some due this financial year.</p> <p>Update</p> <p>Contract relating to the supply of Stores Stock is currently being procured via a frame work agreement with the assistance of the procurement team.</p> <p>New stores contracts signed and will be fully implemented by 1st February 2020.</p> <p>Complete</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
4.7 M	<p>Contractors Insurance</p> <p>A checklist is devised for each contract to ensure the contract monitoring covers all aspects when it relates to renewables e.g. insurance and that products remain up to specification and standard.</p>	<p>Accepted</p> <p>Housing Services</p> <p>This is now in place for our Capital contracts and reviews are scheduled to be carried out as part of the frequent meetings with the contractors. Evidence is retained on the shared network drive.</p> <p>Responsible Manager:</p> <p>Senior Contracts Manager</p> <p>Implementation date:</p> <p>30th April 2018</p> <p>Environmental Services</p> <p>Contract Administrators will be asked to set up diary dates to review insurance and to retain</p>	<p>Implemented</p> <p>Housing Services Implemented on 30th April 2018</p> <p>There is a procurement checklist that has been devised by the Procurement Officer which ensures that all contractors who are awarded contracts have the necessary pre qualification information current and relevant.</p> <p>All contracts awarded through frameworks have this information for all contractors on the framework and this is managed and collected by the relevant framework providers. Furthermore this information is also detailed in the JCT contracts and copies are stored on the server for future auditing purposes.</p> <p>This process is the responsibility of the Senior Contracts Manager and managed by the relevant Managers and Surveyors</p> <p>Environmental Services 16 April 2018</p>	<p>Contractors asked to confirm that required insurances in place – checking documents is contract manager function.</p> <p>Use of frameworks provides means of standard insurance requirements pre checked by framework provider.</p> <p>IMPLEMENTED</p> <p>Complete</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5 th March 2018 1 st Follow up	Update September 2020
		<p>evidence.</p> <p>Responsible Manger:</p> <p>Head of Environmental Services</p> <p>Implementation Date:</p> <p>31st May 2017</p>	<p>Contract documents now include this item as one of the specific Performance Indicators reviewed every three months.</p> <p>The revised Contract Procedure Rules also include a requirement to confirm that insurance remains in place throughout the life of the contract. Both Training on the revised CPR's & contract management have been delivered with mop up sessions available</p>	
4.8 M	<p>Contract Documents</p> <p>The Contract Procedure Rules should be followed regarding the retention of signed contracts.</p>	<p>Accepted</p> <p>All staff will be advised to ensure that signed contract documents meeting this criterion will be passed to Legal Services for safe keeping.</p> <p>However to assist in this process, it is important that all procedures relating to contracts are readily and easily available to staff</p> <p>Responsible Manager:</p> <p>Head of Environmental Services Senior Contracts Manager Housing Property Services Manager</p>	<p>In progress</p> <p>All new contracts will be advertised using DUENORTH. This application will also be used for Contracts Management and the retention of all related document.</p> <p>Tracking & tracing 'old' documents remains in progress and this is reported in the Housing Capital Programme audit follow up.</p>	<p>Implemented and Ongoing</p> <p>All contracts within the Capital and Compliance Team have been drawn up and signed as per the council's standing orders.</p> <p>Original copies are sent to legal and a scanned copy is sent to the team members.</p> <p>Contract management area of Due North not fully utilised.</p> <p>Tracking and tracing of old documents less relevant as contracts re-procured.</p> <p>Complete</p>

Ref./ Priority	Recommendation	Management Response and Action Plan	Position as at 5th March 2018 1st Follow up	Update September 2020
		Implementation date: 31 st May 2017		

APPENDIX A

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.

AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

Work Programme 2020-21

15th September 2020

- External Audit – Progress Report
- Internal Audit – Progress Report
- Internal Audit – Benefits Service Presentation
- S151 Officer Report
- Risk Champion Verbal Update
- Independent Member Recruitment Verbal Update

26th November 2020

- Monitoring Officer's Report
- External Audit – Update Report
- External Audit - Audit Findings Report
- Internal Audit – Progress Report
- Internal Audit - St David's House Update
- Housing Compliance Report
- Committee Work Programme
- Independent Member Recruitment
- Corporate Risk Register
- Risk Champion Update

Virtual Meetings 2020

- Treasury, Capital, and Investments reports
- Treasury Report Update (6 monthly)
- Compliance Team Update (6 monthly)
- Corporate Governance and Risk Update
- Independent Member Recruitment
- Corporate Risk Register
- Committee Work Programme

This page is intentionally left blank