

Date: 26th November 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. RECOMMENDATION

2.1 The Committee is asked to note the report.

3. KEY ISSUES

Financial Implications

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

Legal Implications

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

Service / Operational Implications

3.3 The involvement of Member’s in progress monitoring is considered 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 October 2020 against the performance indicators agreed for the service and further information on other aspects of the service delivery.

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Summary Dashboard 2020/21:

Total reviews planned for 2020/21 (originally)	16 (minimum)
Reviews finalised to date for 2020/21:	3
Assurance of 'moderate' or below:	1
Reviews awaiting final sign off:	1
Reviews ongoing:	7
Reviews to be completed:	4
Number of 'High' Priority recommendations reported:	0
Satisfied 'High' priority recommendations to date:	0
Productivity:	63% (against targeted 74%)
Overall plan delivery to date:	28% (against target >90%)

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

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

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

2020/21 AUDITS ONGOING AS AT 31st OCTOBER 2020

Two reviews that have been finalised since the last Committee sitting are:

- St David's House Initial Assessment
- Contract Management Arrangements

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

- Use of Agency and Consultants

Reviews progressing through scoping and testing stages included:

- Health and Safety
- Debtors
- Creditors
- Treasury Management
- Council Tax
- NNDR
- Benefits

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 has been continuing during quarters 2 and 3 inclusive. The rolling testing programme results will be amalgamated at the end of quarter 3 and formal audit reports will be issued with any findings during quarter 4.

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The 2020/21 plan reflects the delayed start and certain lesser risk reviews will need to be rolled to next years plan. Priority continues to be given to potentially higher risk areas e.g. limited assurance audits. As we return to the new normal the impact of restrictions of the COVID-19 lockdown on the plan will be closely managed as the year progresses. The plan for 2020/21 has remained very flexible and the core financial areas of the business are currently being reviewed and reported on. With progress set to continue there is sufficient coverage for the Head of Internal Audit to provide an overall opinion. Committee will continue to 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.

Audit are now considering any new processes emerging from the extraordinary working arrangements that have been necessary to continue to provide the Redditch residents with services both now and throughout the pandemic. Plan flexibility will continue to be required to include and provide assurance on these emerging areas.

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 outcomes of the follow up reviews are reported in full so the general direction of travel and the risk exposure can be considered by Committee. An escalation process involving CMT and SMT is in place to ensure more effective use of resource in regard to follow up and reduce the number of revisits necessary to confirm the recommendations have been satisfied. There are no material exceptions to report at this time.

Disabled Facilities Grants

A review was undertaken on behalf of Worcestershire County Council colleagues to allow for an audited return to be submitted by them prior to a 31st October 2020 deadline. Using the testing sample results the overall assurance that was given by the Head of the Worcestershire Internal Audit Shared Service was; "I can confirm to the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects based on the samples and testing matrix provided by County Auditors, the conditions attached to the Disabled Facilities Capital Grant Determination (2019-20) No [31/3170] have been complied with". This assurance was provided to County on the 26th October 2020.

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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 October 2020 a total of 111 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.

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

3.5 OTHER KEY AUDIT WORK

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

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

National Fraud Initiative

- 3.6 NFI data set uploads have been ongoing from the beginning of October for Redditch Borough Council in regard to the 2020/21 NFI national exercise. Data set uploading will continue until December 2020. Reasonable progress has been made to date and there is an expectation that all data sets will be uploaded by the deadline. WIASS will continue to provide advice and assistance in regard to the process.

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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' risk i.e. limited assurance reviews. Due to changing circumstances and the impact of the COVID-19 pandemic a variation in the plan is necessary. 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 reasonable 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. A self assessment took place in August 2020 to identify potential areas for improvement and a programme of improvement was agreed before the Client Officer Group in September 2020. The outcome is reported for information at Appendix 5.

Customer / Equalities and Diversity Implications

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

4. RISK MANAGEMENT

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

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5. APPENDICES

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

6. BACKGROUND PAPERS

Individual internal audit reports are held by Internal Audit.

7. KEY

N/a

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APPENDIX 1

Delivery against Internal Audit Plan for 2020/21
1st April 2020 to 31st October 2020

Audit Area	Original 2020/21 PLAN DAYS	Forecasted days to the 31st December 2020	Actual Days used to 31st October 2020
Core Financial Systems (see note 1)	90	74	17
Corporate Audits	78	29	32
Other Systems Audits(see note 2)	178	96	44
SUB TOTAL	346	199	93
Audit Management Meetings	20	15	10
Corporate Meetings / Reading	9	6	4
Annual Plans, Reports and Audit Committee Support	25	18	4
Other chargeable			
SUB TOTAL	54	39	18
TOTAL	400	238	111

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.

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Appendix 2

PERFORMANCE INDICATORS 2020/21

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

	KPI	Trend/Target requirement/Direction of Travel	2020/21 Position (as at 31 st October 2020)		Frequency of Reporting
Operational					
1	No. of audits achieved during the year	Per target	Target = 16 (Minimum) Delivered = 3 (1 @draft)	😐	When Audit Committee convene
2	Percentage of Plan delivered	>90% of agreed annual plan	28%	😞	When Audit Committee convene
3	Service productivity	Positive direction year on year (Annual target 74%)	63% (Q2 average) (Q1 average 50%)	😞	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).

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

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Appendix B

Definition of Priority of Recommendations

Priority	Definition
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>

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Worcestershire Internal Audit Shared Service



**St David's House - Collection of income in relation to additional services during the Coronavirus
Pandemic
2020/21**

Final - Initial Assessment for Quarter 4 Audit - 28th September 2020

Distribution:

To: Head of Community and Housing Services
Business Manager

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Section A - Justification of Audit

The 2019/20 audit of St David's financial controls provided an assurance level of **no assurance (See Appendix A)** due to the lack of effective controls. As a result of this review the Council implemented controls to reduce the risks within the identified areas. The purpose of this initial assessment was to identify if there had been any removal/changes to the financial controls as a result of the Coronavirus Pandemic in addition to identifying other potential risks to the service before carrying out a full audit with testing in quarter 4 (January – March 2021).

Section B - Conclusion - Current Position statement

The financial controls that were put in place prior to Covid-19 have remained in place and have mitigated any risk due to the fact that there has not be any cash handling and all tenants are now being invoiced for additional services such as lunch and laundry.

During the initial assessment an emerging risk has been identified due to the Community Services Manager having left the authority but contracted to remain for a minimal number of hours per week until the end of December 2020 in addition to the Registered Manager retiring in November 2020. However, plans have been put in place to replace the Registered Manager with a Care Manager under an external contract.

The Council is therefore going to prepare a business case, including a financial assessment to consider a new business model for St David's House.

The Council should ensure this risk is entered onto the service risk register.

This initial assessment was undertaken during the month of September 2020.

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Worcestershire Internal Audit Shared Service



Final Internal Audit Report

**Critical Review – Contract Management of Rubicon Leisure
During the Covid-19 Pandemic 2020-21**

Tuesday 20th October 2020

Distribution:

To: Business Development Manager
Sports Development Officer
Head of Legal, Equalities and Democratic Services
Health and Safety Officer
Properties Officer

CC: Chief Executive

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1. Introduction

1.1 The Critical Review of Leisure Contract Management for Rubicon Leisure during the Covid-19 Pandemic was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2020/21 as approved by the Audit, Governance and Standards Committee on 27th July 2020. The review was a critical review to analyse, evaluate and challenge the Leisure Contract Management as operated by Redditch Borough Council.

1.2 Strategic Purpose – to provide things to see and do

1.3 The following corporate risk register entries are relevant to this review:-

- COR 9 - Non Compliant with Health and Safety Legislation
- COR 11 - Managing the impact of National Changes – financial / social economic or environmental which may have a detrimental impact on service delivery or quality (e.g Brexit / Universal Credit)

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

- L&C 2 - Fail to ensure the health & safety of the Public / Staff and visitors using services (meeting regulatory requirements)
- L&C 5 - Fail to ensure that the Current buildings and facilities remain fit for purpose now and for the future.
- L&C 8 - Fail to support and influence the public health and community based agendas

1.4 This review was undertaken during the months of July and August 2020.

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2. Critical Review Scope

2.1. This review has been undertaken to evaluate, analyse and challenge: -

- How Redditch Borough Council worked with Rubicon Leisure to provide advice, support and understanding of circumstances during the covid-19 crisis to Rubicon Leisure and stakeholders.
- Health and Safety measures are in place to support the reopening of leisure facilities and are following Government legislation and guidance. Also that the business continuity plan was robust

2.2. The scope covered:

- Support and guidance during the pandemic
- Health and Safety measures
- Business continuity plan and lessons learnt in case of a second wave.
- Reopening of leisure services in a safe capacity

2.3. This review did not cover KPI's and Performance Measures

3. Critical Review Overview and Executive Summary

3.1. As this is a critical review there is no level of assurance given.

3.2 During the review the auditor had meetings with multiple officers involved in the Leisure Contract Management for Rubicon Leisure to gain an understanding the level of support provided to Rubicon Leisure and stakeholders during the Covid-19 pandemic. Also to gain an insight into what concessions have been made to the existing terms of the contract with Rubicon Leisure due to the lockdown. **(See Section 4 below)**

3.3 It should be noted that as part of the review it could be clearly seen that the authority did their utmost to support Rubicon Leisure during the difficult time of Covid-19 and went beyond the expectation of the terms and conditions of the agreed contractual obligations.

3.4 The review found the following areas were working well:

- There was a good level of support and communication given to Rubicon Leisure to ensure that they were in a position to reopen safely when the Governments guidance changed.

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- A partnership was formulated between Redditch Borough Council and Rubicon Leisure to ensure that community engagement was continued throughout the pandemic and whilst leisure centres and facilities were closed, they were able to do online workshops and videos to keep the public engaged throughout.
- Redditch Borough Council supported Rubicon Leisure by freezing and adjusting all performance measures to fit with the changing climate of Covid-19 and the relaxing of measures.
- The Council have done well working with furloughed staff and ensuring that full time staff and those on zero hour contracts are being paid correctly.

3.5 There were some areas of the system that audit have challenged Management on:

Challenge	Section 4 Challenge number
Support and communication	1
Lessons Learnt	2
Health and Safety	3

4. Detailed Challenges

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

Ref.	Current Position	Challenge	Risk	Management response
1	<p>Support and communication</p> <p>Meeting Minutes and Agendas: - During the pandemic weekly meetings have continued with Rubicon Leisure remotely through TEAMS and Skype for business to help support and guide the company to prepare for re-opening the sites.</p> <p>Rubicon Leisure were very cooperative throughout the crisis and the meeting was a good platform to discuss repairs and</p>	<p>1) During the pandemic, the authority has giving support to Rubicon Leisure using resources of the Council is the authority assured that this was a two way process and that it was not Rubicon Leisure taking support without offering anything in return as Rubicon are an entity in themselves.</p>	<p>1) Companies are using this as an opportunity to get jobs completed that they couldn't before and using the situation to their advantage especially where there is no agreement in place.</p> <p>2) Damage to the</p>	<p>Responsible Manager: - Property Services Manager and Health and Safety Officer</p> <p>Implementation date: - On-going</p> <p><u>Property Services response actions</u></p> <p>The relationship with Rubicon Leisure continues to be a close working partnership. Weekly maintenance and review of Building issues arising continue on a weekly basis and include the Client Officer.</p>

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<p>maintenance required, as well as providing some health and safety advice in preparation for the reopening, it was also an opportunity to allow the council to discuss support and guidance required from the authority during the difficult time.</p> <p>During the first 14 weeks of COVID-19 daily management meetings took place with the managers of Rubicon Leisure where items such as furlough of staff were discussed to ensure there was a foundation for continued communication between the two parties. In addition the interim MD from Rubicon Leisure attended daily corporate management meetings to make the council aware of issues. As part of these virtual meetings exceptions of operational and performance issues were reported.</p> <p>Agendas were prepared for the meetings and minutes taken which formulated into a plan for repair and maintenance of the buildings.</p> <p>There were guidance changes from the Government which lead to requests coming through from Rubicon Leisure to the council</p>	<p>2) Is Redditch Borough Council able to give assurance that aiding Rubicon Leisure did not prevent anything else that needed urgent attention to be held up for the Council especially in light of the Services that Rubicon required the assistance from, Finance, Property Repairs and Maintenance and Health and Safety.</p>	<p>relationship between the Council and the Contractor if the Council is not seen to be supportive and understanding leading to future potential difficulties when trying to manage the contract especially in relation to poor or under performance. The Council being over supportive at the risk of its own services and reputation.</p>	<p>Property Services accomplished a number maintenance projects during the closure of Rubicon sites that would have been challenging to accomplish with the buildings in operation – this meant the work could progress without a detrimental effect to the income/business where Rubicon may have requested alternative methods/dates/times outside Covid restrictions.</p> <p>These also supported key Rubicon services that were allowed to re-open, including the outdoor venues such as Pitcheroak Golf Course and the Arrow Valley Countryside Centre outdoor catering provision. These sites although maintaining the required strict measures and practices are doing really well and will place them and all Rubicon services on a better footing when the Pandemic is over.</p> <p>Please note; with our corporate sites also closed during this period, the opportunity was taken to carry out needed works and Surveys on Corporate buildings where permissible. (lock down prevented access to all but essential staff to most sites)</p> <p>We will continue to monitor all our building's repair and maintenance needs and deliver in line with budget/compliance requirements.</p> <p><u>Health and Safety officer response</u></p> <p>The Health and Safety Officer treated Rubicon Leisure as another Council department for the purposes of providing Health and Safety guidance resulting from the pandemic, supporting them upon request, developing risk assessments and Safe Systems of Work and advising how they can implement the agreed controls by visiting their sites.</p>
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<p>on getting the sites ready for re-opening. This was managed by the property team, which included installing plastic screens at the Abbey stadium and putting in the social distancing logos and hand sanitizer points around the site, as well as carrying out other maintenance. The pandemic allowed Repairs and Maintenance to complete a lot of the backlog of work that they had prior to the lockdown. Although Rubicon Leisure did their own deep cleans, Property and Repairs and Maintenance were involved with looking at the filters and air flow at the gym to ensure they provided a safe environment for the re-opening.</p> <p>At the time of the review there was no list of the projects that had been carried out. However, it is something that was in the process of being considered.</p> <p>In addition to this there is no formal agreement between Rubicon Leisure and the Council's Health and Safety Officer. However, Health and Safety advice has been provided by the Council thorough out the pandemic as the authority owns the properties and has a duty of</p>			<p>This did not have a detrimental impact on the core Council response, as the Health and Safety Officer provided support across all other Council departments as required, ensuring managers and frontline teams were able to operate under the restrictions we had to put in place</p>
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	<p>care and carried this out of good faith.</p> <p>Customer Queries During the pandemic public queries have tended to go directly to Rubicon Leisure for handling, with few being handled by the Council. Web notices were put on the main Redditch Borough Council website pointing them in the direction of Rubicon Leisure for updates.</p>			
2	<p>Lessons Learnt: -</p> <p>Currently there have been no lessons learnt on the handling of Covid-19 that has had a formal setting, but the contract facilitator admitted that ideally a whole day with all parties involved would ideally need to take place, rather than a 2 hour meeting, as a lot would need to be discussed to help support Rubicon Leisure prepare for a possible 2nd wave.</p> <p>There is a desire for this to start happening and may start with a monthly formal meeting to discuss the lessons learnt and then can have elements within the weekly catch up with Rubicon Leisure to discuss any points to help improve the</p>	<p>1) As part of the review it was found that no lessons learnt have been formally identified from the 1st wave of Covid-19, therefore does the authority feel assured enough that appropriate steps have been executed and that they are better prepared for a possible 2nd wave come the winter?</p> <p>2) As no lessons learnt were gathered at the time of the review, how does the Council intend to collate the lessons learnt and any</p>	<p>1) If no review or lessons learnt are formulated after major incident like the one undertaken since March 2020, then there is a high risk then if a 2nd wave or repeat in the future was to occur, the authority will not have a strategy in place to deal with the issues.</p> <p>2) There is a risk of reputational damage to the authority on the handling of the crisis if there are no proactive actions taking place to ready for a 2nd wave.</p>	<p>Responsible Officer Business Development Manager</p> <p>Implementation Date November 2020</p> <p>On 14th September 2020 a group of key personnel from Rubicon and The Council attended a skype meeting to review the Covid-19 lessons learnt – this gave a review of the last 6 months of operations during Covid-19. Whilst it was agreed there was a strong communication between the Council and Rubicon the meeting also highlighted the SWOT analysis for this period. (Strengths/Weaknesses/Opportunities/Threats)</p> <p>A review of these will be taken at a further meeting which will be booked in November. We will continue to meet with Rubicon on a weekly basis to ensure the Government Guidance and appropriate measures/restrictions are in place and</p>

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	<p>relationship and level support given to improve services given as part of the contractual obligations.</p> <p>Business continuity plan: - It was acknowledged by Redditch Borough Council that Rubicon Leisure was well prepared for when the pandemic first hit, as they had a robust contract and business continuity plan in place. Leisure services have also recently updated their business continuity plan for Redditch Borough Council as well as their business impact analysis.</p>	<p>outcomes implemented to ensure that they are better prepared should this happen again?</p>		<p>with increasing covid-19 numbers and possible further lockdown, include the Redditch Health & Safety Officer</p>
3	<p>Health and Safety and Furloughed staff</p> <p>Re-opening of sites: - Since the pandemic began and lockdown was enforced a lot of business including Rubicon Leisure had to close, leading to the furlough of staff. Currently although the goal posts by the government has been changed on occasions, certain sites such as Abbey Stadium, Arrow Valley and Pitcheroak golf club have been able to re-open.</p> <p>There is a weekly site inspection done by Redditch Borough Council to support and advise</p>	<p>1) Does the authority have confidence that enough guidance and support has been given to Rubicon Leisure over the financial implications of continuing to furlough staff from August 2020, now that the contribution to wages from the Government is reducing</p> <p>2) Is there confidence that enough is being done</p>	<p>1.) Financial loss if sites are unable to open as there is loss of revenue. 2.) There is risk to the reputation of the council if ill-advised health and safety advice is given which leads to failure in delivery safe health and safety practices on sites. 3.) If sites are not opened safely, with the correct level of safety measures in place, then there is potential risk of catching the virus or death</p>	<p>Responsible Manager: - Property Services Manager and Health and Safety Officer</p> <p>Implementation date: - On-going</p> <p><u>Property Services response</u></p> <p>As the Rubicon buildings have reopened and to take into account of the changing Government Guidelines, Property Services have continued to support Rubicon Leisure in meeting the challenges.</p>

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<p>Rubicon Leisure on keeping the general public and staff safe. Redditch Borough Council has a duty of care and will continue to provide this throughout the crisis.</p> <p>Currently both the Forgemill Museum and Bordesley Abbey staff remain furloughed and the sites remain shut. The main reason for this is due to the income generation being forecasted to remain low and that the numbers attracted to these sites are difficult to manage. A report has gone to members to advise why these have stayed shut for now.</p> <p>Community centres also at the time of the review remain shut as there is no demand currently and under government guidance there cannot be more than 6 people in at a time.</p> <p>Other sites that remain closed at the time of the audit include both the children's Nursery and the Palace theatre. The palace theatre is the highest income earner for Rubicon Leisure, but although certain health and safety measures are being discussed and put in place, the Government guidance at this stage does not allow the public</p>	<p>to possibly explore alternative options to staff roles to potentially get them back into work, such as a redeployment scheme?</p> <p>3.) Is the authority confident that the facilities and locations are safe enough to allow (Employees of Rubicon Leisure) to return from furlough and work on site in a COVID-19 secure way, and does the authority accept responsibility if it is not?</p> <p>4.) As the health and safety officer is not contractually obligated to fore fill duties or give advice to Rubicon Leisure, is the council confident that the contract is set up correctly to ensure that Rubicon Leisure has the correct resource available to advise on issues around health and safety?</p>	<p>in service.</p>	<p>At this time, Property Services have postponed any further work on Rubicon Sites other than those essential for the maintenance and safety of the buildings</p> <p>As buildings are allowed to reopen there are safety inspections that must be reinstated to normal operating level, Fire alarm, water monitoring etc</p> <p><u>Health and Safety Officer response</u></p> <p>Health and Safety have worked closely with Rubicon Leisure management across all their facilities (except for those that remain closed such as the Palace Theatre and Forge Mill) to ensure they were COVID-19 Secure compliant, following the guidance from Central Government relevant to their business sector.</p> <p>In close partnership we were able to develop measures that reflected the requirements to enable effective social distancing etc. such as establishing socially distanced queues. one-way systems, restricting numbers of attendees, online / telephone bookings only, provision of hand sanitiser stations and enhanced cleaning routines.</p> <p>It is worth noting, however, that Rubicon Leisure had taken the decision shortly after they started operating to engage the services of Right Directions as a Health and Safety Consultancy, but it is not clear where the demarcation is as they seemed to not be able to provide a hands-on service (on site locally) during the pandemic when restrictions began to be lifted. Therefore the Health and Safety Officer was asked to provide support, which the Health and Safety Officer is more than happy to continue doing. The Health and Safety Officer feels the working relationship continues to be positive.</p>
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<p>to sit and watch shows.</p> <p>The children's nursery is being discussed currently and what measures can be put in place to allow it to re-open safely including possibly using the community centre.</p> <p>Health and Safety Contractual Obligations</p> <p>There is no service level agreement currently in place for Rubicon Leisure to use Redditch Borough Council Health and safety as a service; they only have within the contract the coverage of maintenance provision. It was assumed that the current contract includes the health and safety support function from the Council.</p> <p>Although it was done out of good faith, as time went on, the health and safety department was treated like another service which is under contract and being run by the council, but it would have felt wrong to have refused support during the current time.</p> <p>Out of the good nature of the Health and Safety Officer, discussions were held with management and support was</p>			<p>As part of the lesson learnt in section 2 above – it has been noted that the support service SLA for HR should be reviewed and include additional support services from the Corporate Health and Safety Officer</p>
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<p>given to allow the Health and Safety Officer to provide guidance to Rubicon Leisure. It was acknowledged that more guidance may be required in the future to support Rubicon Leisure.</p> <p><u>Support provided</u></p> <p>The health and safety officer offered his support and guidance to Rubicon Leisure throughout the crisis to help Rubicon Leisure prepare safety measures for the re-opening of the Arrow Valley, Pitcheroak golf club and Abbey stadium sites.</p> <p>Support also included providing training on how to carry out health and safety site risk assessments, advice on how to give out online training and advice on how to put controls in place for reasonable health and safety rules on site to allow them to re-open.</p> <p>In addition to this there was ad-hoc Inspections carried out to provide some recommendation to Rubicon, which then would proceed in conversations with John Homer for a maintenance perspective. Some conversations have included concerns with overdosing on</p>			
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	<p>chlorine, health and safety concerns and looking at office spaces, to start reoccupying Redditch Town Hall.</p> <p>Other support was also advising that each building including the Town hall is Covid-19 secure and a 20 page checklist has been put in place which can be found on the main website and Orb.</p>			
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5. Overall Conclusion

The Critical review looked at how Redditch Borough Council worked with Rubicon Leisure and the advice, support and understanding of the circumstances during the Covid-19 crisis that was provided to Rubicon Leisure. The review also looked at what Health and Safety measures were put in place to support the reopening of the leisure facilities and if they follow the Government legislation and guidance.

Although it is noted that during this difficult time there was a lot of good community engagement and communication throughout the crisis, the review has provided some challenges around particular elements of the support and communication, Health and Safety and lessons learnt during the pandemic. These challenges are made to help the Council review the service, provide transparency and acknowledge risks that it may be exposed to, to help prepare for the instance of a future pandemic or 2nd wave of Covid-19.

There are some areas that were positive within the handling of the pandemic by all services involved with the contract; however, there are lessons to be learnt that can be taken forward to enhance any support provided in the future.

Overall the review found that all services involved with the Rubicon Leisure Contract have worked extremely hard during the pandemic and have risen to the challenge that has been forced upon them. It was acknowledged that Rubicon Leisure were well prepared going into the lockdown, whilst although the authority were prepared, it was found that there were some details that needed to be adjusted in the business continuity plan in place for Redditch Borough Council at the time the review took place. Therefore, the decision needs to be made on whether the controls are now in place to help aid a faster response in the instance of a future pandemic or 2nd wave to ensure community engagement and business does not suffer as a result.

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6. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms 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 review no non-audit or audit related services have been undertaken for the Council within this area.

Head of Internal Audit Shared Services

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APPENDIX 4

FOLLOW-UP REPORTS:

There were no other finalised 'Follow-Up' reports to report since the last Committee sitting.

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APPENDIX 5

Quality Assurance Improvement Plan.

Action Number	Area for Action and Standards Reference	Outcome Required	Action	Lead person	Target Date for completion	Date of Completion	Latest Position
1	1000	Updated Charter and Partner approval.	To review and update as appropriate, and present to COG and Partner Committees for approval.	Head of Internal Audit & Team Leader	Sep-21 (Annual Reports)		
2	1210.A1 - Training Requirements	Professional qualifications to be obtained.	Auditors to enhance their skills and qualifications through professional study e.g. IIA	Auditors	2023/24		
3	2420 - Timely Completion of Review Stages	Improvement in issuing the 'Draft Report' to the agreed date as set out in the Brief. To make improvements in the monitoring of the management response after the issue of a Draft Report.	Monitor the issue of Draft Reports and the receipt of management response during the financial year taking appropriate and timely action where the target dates are stressed.	Auditors	Mar-21		
4	2500.A1 - Follow Up	More efficient and timely follow up in regards to reported management action plans.	To review and enhance the follow up process, and monitor progress to reduce potential slippage.	Audit Team Leader	Mar-21		
5	2010.A1 - Annual Risk Assessments	More effective implementation of Annual Risk Assessments into the annual planning and use within individual audits.	To review the current process of using the annual risk assessments and how inclusion into annual planning and audit planning can be improved.	Head of Internal Audit / Audit Team Leader	Nov-20		