

Date: 26th January 2023

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

THE INTERNAL AUDIT PROGRESS REPORT

Relevant Portfolio Holder	Councillor Karen Ashley
Portfolio Holder Consulted	Yes
Relevant Head of Service	Peter Carpenter, s151 Officer
Report Author	Job Title: Head of Internal Audit Shared Service Worcestershire Internal Audit Shared Service Contact email: andy.bromage@worcester.gov.uk Contact Tel: 01905 722051
Wards Affected	All Wards
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	Good Governance & Risk Management Underpins all the Strategic Purposes.
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Audit, Governance & Standards Committee is recommended-

1) that the report is noted.

2. BACKGROUND

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

This section of the report provides commentary on Internal Audit's performance for the period 01st April 2022 to 31st December 2022.

Summary Dashboard 2022/23:

Total reviews planned for 2022/23	15 (minimum)
Reviews finalised to date for 2022/23:	5 (incl. bus operator grant)
Assurance of 'moderate' or below:	2
Reviews awaiting final sign off:	2
Reviews ongoing:	8
Reviews to commence (Q4):	2
Number of 'High' Priority recommendations reported:	1
Satisfied 'High' priority recommendations to date:	0
Revised Plan delivery to December 2022:	67%

Since the last progress report presented to the Committee, three reports have been finalised, one grant return has been completed, two reports are at clearance/draft report stage and eight reviews are ongoing.

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Follow Up outcomes are reported in Appendices 4 and 5 and by exception.

All 'limited' or below assurance reviews go before Corporate Management Team for full consideration.

2022/23 AUDITS TAKING PLACE AS AT 31st DECEMBER 2023

A rolling programme of testing has taken place during quarters 1 to 3 for Debtors, Creditors and Payroll. The results will be reported during quarter 4.

The reviews that have been finalised since the last committee:

- Fuel usage across the fleet
- North Worcestershire Community Safety Partnership Grant
- Homelessness Grants

The reviews that are at draft report or clearance stage are:

- Debtors
- Main ledger

Reviews that had commenced and at planning and testing stages included:

- Transformation Team Utilisation
- Workshop Licensing Compliance
- Creditors
- Treasury Management
- Council Tax
- National Non-Domestic Rates
- Benefits
- Payroll

As the above are classified as 'on going' the assurance and outcome of the reviews will be reported at Committee on completion.

Critical review audits are designed to add value to an evolving Service area. Depending on the transformation that a Service is experiencing at the time of a scheduled review a decision is made regarding the audit approach. Where there is significant change taking place due to transformation, restructuring, significant legislative updates or a comparison required a critical review approach will be used. To assist the service area to move forwards 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.

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Internal Audit are continuing to consider new processes emerging from the ongoing changing working arrangements that have been necessary to continue to provide Redditch residents with services post pandemic. Plan flexibility is continuing to be required to include and provide assurance on potential areas of change.

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 (Appendix 4). The outcomes of the follow up reviews are reported in full (Appendix 5) so the general direction of travel and the risk exposure can be considered by Committee. An escalation process involving CMT and SMT is in place to ensure more effective use of resource regarding follow up to reduce the number of revisits necessary to confirm the recommendations have been satisfied.

3.4 AUDIT DAYS

Appendix 1 provides a summary of delivery. At the 31st December 2022 a total of 202 days had been delivered against an overall revised target of 300 days for the year.

Appendix 2 shows the indicative plan for the year and the progress made to deliver it.

Appendix 3 provides copies of the reports that have been completed and final reports for 2022/23 issued since the previous progress report presented to Committee.

Appendix 4 provides a summary overview of the follow up programme.

Appendix 5 provides copies of the completed Follow Up Reports.

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

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- Internal audit recommendations: follow up review to analyse progress
- Day to day audit support and advice for example control implications, etc.
- Networking with audit colleagues in other Councils on professional points of practice
- National Fraud Initiative coordination of uploads.
- Investigations

National Fraud Initiative

- 3.6 National Fraud Initiative data set uploads were completed by the end of November 2022. The next upload of data sets is during January 2023 regarding Council Tax Single Person Discount and Electoral Registration which is in hand. WIASS continue to provide advice and assistance regarding the process.

Monitoring

- 3.7 To ensure the delivery of the 2022/23 plan and any revision required there continues to 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 have provided the required coverage for the year to ensure an internal audit opinion can be reached using reviews from the authority's core financial systems, as well as other systems. Changes to the plan have been discussed with the s151 Officer and reported to Committee.

4. FINANCIAL IMPLICATIONS

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

5. LEGAL IMPLICATIONS

- 5.1 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".

6. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purpose

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- 6.1 Good governance along with risk management underpin all the Corporate strategic purposes. This report provides an independent assurance over certain aspects of the Council's operations.

Climate Change Implications

- 6.2 The actions proposed do not have a direct impact on climate change implications.

7. OTHER IMPLICATIONS

Equalities and Diversity Implications

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

Operational Implications

- 7.2 There are no new operational implications arising from this report.

8. RISK MANAGEMENT

- 8.1 The main risks associated with the details included in this report are to:
- Insufficiently complete the planned programme of audit work within the financial year leading to an inability to produce an annual opinion; and,
 - a continuous provision of an internal audit service is not maintained.

9. APPENDICES and BACKGROUND PAPERS

Appendix 1 ~ 2022/23 Internal Audit Plan summary of delivery
Appendix 2 ~ 2022/23 Plan progress
Appendix 3 ~ 2022/23 Finalised audit reports including definitions
Appendix 4 ~ 2022/23 Follow Up Programme Overview
Appendix 5 ~ 2022/23 Follow Up Reports

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APPENDIX 1

Delivery against Internal Audit Plan for 2022/23 1st April 2022 to 31st December 2022

Audit Area	Revised 2022/23 Plan Days	Actual Days used to 31 st December 2022
Core Financial Systems (see note 1)	88	43
Corporate Audits	43	16
Other Systems Audits (see note 2)	134	123
SUB TOTAL	265	182
Audit Management Meetings/		
Corporate Meetings / Reading	35	20
Annual Plans, Reports and Audit Committee Support		
Other chargeable (see note 3)	0	0
SUB TOTAL	35	20
TOTAL	300	202
Rubicon	10	10

Audit days used are rounded to the nearest whole.

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 regarding Debtors, Creditors and Payroll to maximise coverage and sample size. The overall results will be reported during Q4.

Note 2: Several budgets in this section are 'on demand' (e.g. consultancy, investigations) so the requirements can fluctuate throughout the quarters potentially resulting in unallocated days.

Note 3: 'Other chargeable' days equate to times where there has been, for example, significant disruption to the IT provision resulting in lost productivity.

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Appendix 2

2022/23 Internal Audit Plan

Audit Area	Corporate Link (corporate Priority / Strategic Purpose)	Risk Register Reference	Indicative Date of Delivery 2022/23		Current Position	Estimated Resource 2022/23
FINANCIAL						
Debtors (note 1)	Enabling	Lack of robust financial accounting and monitoring arrangement	Q1 to Q4		Draft Report	12*
Main Ledger/Budget Monitoring/Bank Rec (note 1)	Enabling	Lack of robust financial accounting and monitoring arrangement	Q3 to Q4		Draft Report	13*
Creditors (note 1)	Enabling	Lack of robust financial accounting and monitoring arrangement	Q1 to Q4		Rolling Programme/ Testing in progress	12*
Treasury Management (incl. strategic acquisitions)	Enabling	Lack of robust financial accounting and monitoring arrangement	Q2		Testing in progress	6*
Council Tax	Enabling	Lack of robust financial accounting and monitoring arrangement	Q3 to Q4		Testing in progress	8*
Benefits	Enabling	Lack of robust financial accounting and monitoring arrangement	Q3 to Q4		Testing in progress	10*
NNDR	Enabling	Lack of robust financial accounting and monitoring arrangement	Q3 to Q4		Testing in progress	8*

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Audit Area	Corporate Link (corporate Priority / Strategic Purpose)	Risk Register Reference	Indicative Date of Delivery 2022/23		Current Position	Estimated Resource 2022/23
Payroll	Enabling & Contractual Obligation	Lack of robust financial accounting and monitoring arrangement	Q1 to Q3		Rolling Programme/ Testing in Progress	19
Sub TOTAL						88
CORPORATE						
IT Audit (Cyber essentials)	Fundamental to strategic purpose delivery	N/a	Q3 - Q4		Q4 review	15*
Risk Management (Action plan implementation) (note 2)	Fundamental to strategic purpose delivery	S151 request	Q3 - Q4		Q4 review	10*
GIS & Gazetteer – Phase 1	Fundamental to strategic purpose delivery	HoS	Q1		Final Report issued 16/08/2022	10*
Transformational Team Utilisation	Fundamental to strategic purpose delivery	HoS	Q1 - Q2		Testing in progress	8*
Disabled Facility Grants	Enabling	N/a			Liaison with County underway	0
Sub TOTAL						43

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Audit Area	Corporate Link (corporate Priority / Strategic Purpose)	Risk Register Reference	Indicative Date of Delivery 2022/23		Current Position	Estimated Resource 2022/23
SERVICE DELIVERY						
Community & Housing Service						
Homelessness Grants	Help me to live my life independently	HoS	Q1		Final Report Issued 24/11/2022	20
Housing Revenue Account	Help me to live my life independently	HoS	Q4		Rolled to 2023/24	(15)
Lifeline Service	Help me to live my life independently	HoS	Q2		External scrutiny/audit therefore no further action required	(0)
Community Safety Grant	Help me to live my life independently	HoS	Q2		Replaced the Lifeline Service Review	10
Environmental & Housing Property Services						
Workshop Licensing Compliance	Fundamental to strategic purpose delivery	HoS	Q2		Testing in progress	15
Fuel Usage Across the Fleet	Fundamental to strategic purpose delivery	HoS	Q1		Final report issued 28/10/2022	25

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Audit Area	Corporate Link (corporate Priority / Strategic Purpose)	Risk Register Reference	Indicative Date of Delivery 2022/23		Current Position	Estimated Resource 2022/23
Planning, Regeneration & Leisure						
Leisure Strategy	Provide good things for me to see, do and visit	HoS	Q3 - Q4		Rolled to 2023/24.	(6)
Sub TOTAL						70
Other Operational Work						
Advisory, Consultancy & Contingency	Operational support	N/a	Q1 - Q4		Ongoing	10
Fraud & Investigations incl. NFI	Operational support	N/a	Q1 - Q4		Ongoing	15
Completion of prior year's audits	Operational support	N/a	Q1		Completed	12
Report Follow Up (all areas)	Operational support	N/a	Q1 - Q4		Ongoing	15
Statement of Internal Control	Operational support	N/a	Q1 & Q4		Q1 completed	6
Bus Operators Grant	Operational support	N/a	Q1 & Q3		Q1 return completed	6
Sub TOTAL						64

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Audit Area	Corporate Link (corporate Priority / Strategic Purpose)	Risk Register Reference	Indicative Date of Delivery 2022/23		Current Position	Estimated Resource 2022/23
Audit Management Meetings	Operational support	N/a	Q1 to Q4		Ongoing	35
Corporate Meetings / Reading	Operational support	N/a	Q1 to Q4			
Annual Plans, Reports & Committee Support	Operational support	N/a	Q1 to Q4			
Sub TOTAL						35
TOTAL						300

Rubicon Leisure	Arms-length LA Company	N/a	N/a			10
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Explanatory Notes:

*As part of the increasing joint and shared service working between Bromsgrove District Council and Redditch Borough Council the audit budgets and areas will feature in the internal audit plans and be consolidated to deliver a single piece of work covering both Councils. Where practically possible the days will be split equally between the plans. Weighting will, however, be applied if it is considered the focus of the work will major on one Council.

The customer journey will be considered overall as part of the service audits.

Note 1: New financial system therefore audit budget increase.

Note 2: Risk management relaunch reviewing ongoing progress against action plan and reporting.

Note 3: There was no budget included in the plan for this additional piece of work.

Appendices A & B are indicated below and are applied to all reports.

Appendix A

Definition of Audit Opinion Levels of Assurance

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

Appendix B
Definition of Priority of Recommendations

Priority	Definition
High	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.
Medium	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.
Low	Control weakness that has a low impact upon the achievement of key system, function or process objectives. Implementation of the agreed recommendation is desirable as it will improve overall control within the system.

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2022/23 Audit Report.

Finalised report since the last Committee sitting.

Worcestershire Internal Audit Shared Service



Internal Audit Report Fleet & Plant – Fuel Usage & Efficiency 2022-23 28th October 2022

Distribution:

To: Environmental Services Manager
Environmental Services Manager
Environmental Services Manager
Cc: Head of Environmental and Housing Property Services

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1. Introduction

- 1.1 The audit of Fleet and Plant – Fuel Usage & Efficiency was carried out in accordance with the Worcestershire Internal Audit Shared Service Draft Audit Plan for Redditch Borough Council for 2022/23 approved by the Governance and Standards Committee on 28th July 2022. The audit was a risk-based systems audit of Fleet and Plant – Fuel Usage & Efficiency as operated by Redditch Borough Council.
- 1.2 Fuel is required for the Councils fleet and therefore it is an important underpinning commodity for services provided to the public by the Environmental Services directorate.

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1.3 No risk register entries were identified that related directly to this review.

1.4 This review was undertaken during the months of May to July 2022.

2 Audit Scope and objective

2.1 This review was undertaken to provide assurance that fuel usage for fleet and plant is controlled and is being monitored to ensure that there is optimum efficiency and fuel is accounted for.

2.2 The scope of the audit covered the following:

- Fuel usage data monitoring for both Fleet and Plant
- Monitoring of driver efficiency
- Analysis of the age of fleet/plant and the vehicle maintenance schedules
- Vehicle use including the tracking of vehicles for performance data
- Follow-up of the 2021-22 Housing Fuel Usage review outcomes

2.3 This review covered the procedures in place at the time of the review.

2.4 This review did not cover the type of vehicles that make up the fleet.

2.5 The scope covered a follow-up of the 2021-22 Housing Fuel Usage critical review. This follow-up was carried out and the outcomes reported separately. Further follow-ups will be incorporated into the follow-up process for this review and consequently the fleet as a whole.

3 Audit Opinion and Executive Summary

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- 3.1 From the audit work carried out we have given an opinion of **moderate assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the “Definition of Audit Opinion Levels of Assurance” table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.
- 3.2 We have given an opinion of **moderate assurance** in this area because the system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet its objectives. Assurance can only be given over the effectiveness of controls within some areas of the system.
- 3.3 The review found the following areas of the system were working well:
- The Council has systems already in place that can provide the facility to report in detail on vehicle and driver activity.
 - Vehicles are subject to regular maintenance and records are held accordingly.
 - Drivers are monitored for speeding and supervisors are involved regarding any incidents.
- 3.4 The review found the following areas of the system where controls could be strengthened:

Title of Finding	Priority (see Appendix B)	Section 4 Recommendation number
Fuel Transaction Reporting	Medium	1
Fuel Usage Monitoring and Reporting	Medium	2
Fuel – Records and Audit Trails	Medium	3
Fuel System – Staff Records	Medium	4
Driver Efficiency and Performance	Medium	5
Vehicles and Plant – ‘Master Lists’	Medium	6

4 Detailed Findings and Recommendations

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

Ref.	Priority	Finding	Risk	Recommendation	Clearance meeting discussion points
New matters arising					
1	M	<p><u>Fuel Transaction Reporting</u></p> <p>Testing on fuel transaction records found that there are errors in the figures reported for distance travelled and miles per gallon.</p> <p>During testing audit found that a locked key fob was used to fuel a vehicle during a period where the system was awaiting an update.</p>	<p>Errors in fuel transaction information undermine any reporting and subsequent action as a result of reported data, potentially resulting in poor decision making leading to financial loss.</p> <p>A lack of routine reporting on fuel transactions will lead to any anomalies in figures not being picked up resulting in a</p>	<p>Introduce regular quality checks of fuel system data to identify and rectify any errors or anomalies in a timely manner.</p>	<p><u>Management Response:</u></p> <p>Supplies & Facilities Team Leader to do a visual check on reports produced for managers and team leaders to identify obvious errors, and these are to be reported to the services managers. See comments for item 2.</p> <p><u>Responsible Manager:</u> K H – Environmental Services Manager</p>

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			delay which could potentially be months after the event.		<u>Implementation Date:</u> January 2023
2	M	<p><u>Fuel Usage Monitoring and Reporting</u></p> <p>Fuel monitoring and reporting is not formalised or consistent across the fleet.</p> <p>The fuel systems in place have the functionality to provide detailed reports on fuel usage, mileage and distance travelled as well as transactional data around fuel such as driver, vehicle, transaction date and time, type of fuel and amount dispensed.</p>	<p>There is a risk that efficiencies regarding fuel, vehicles and drivers may not be identified if all the required data is not considered and utilised.</p>	<p>Review the requirement for regular monitoring of fuel usage and mileage and the use of the fuel reports in conjunction with data from the vehicle tracking systems, so that managers can view fuel usage information for all fleet vehicles and take action as required. Reports can be produced with detailed datasets which will provide a greater and clearer understanding of how fuel is dispensed and used in vehicles and equipment.</p> <p>Define what metrics are required for the Council to effectively measure fuel efficiency, consumption, carbon emissions etc. following which the system reports can be tailored accordingly.</p>	<p><u>Management Response:</u></p> <p>Supplies & Facilities Team Leader to provide fuel transaction data to Service Managers/Team Leaders every three months to enable them to undertake a quality check on distance travelled and fuel used. Each Service manager has access to vehicle tracking data to crosscheck journeys undertaken.</p> <p><u>Responsible Manager:</u> C W – Environmental Services Manager K H – Environmental Services Manager Other Service Managers in line with fleet responsibilities</p> <p><u>Implementation Date:</u> January 2023</p> <p>Once Fuel data/monitoring is established and reported to managers (See above), overall service figures are to be reported to Senior managers at their regular Environmental Services and Housing Management Team</p>

					<p>meetings as part of the performance data. This will include CO2 emissions.</p> <p><u>Responsible Manager:</u> Supplies & Facilities Team Leader to provide Support & Improvements Team Leader with data to include in management report.</p> <p><u>Implementation Date:</u> April 2023</p>
3	M	<p><u>Fuel (Plant) – Records and Audit Trails</u></p> <p>There is a lack of an audit trail around fuel used for plant equipment. Fuel records do not include an asset number or other indicator of where the fuel is being used or what it has been obtained for. Details that are not recorded include what plant equipment is being fuelled and how much is being added.</p>	<p>With the current cost of fuel there is an increased risk of fuel theft as there is opportunity in this area if the Council cannot accurately track where fuel is ultimately ending up.</p>	<p>Where fuel records do not include identification of the plant equipment being fuelled, use an asset number or similar code to demonstrate where fuel is being assigned to and utilised.</p> <p>Implement random fuel record checks to highlight any anomalies with reporting by exception.</p>	<p><u>Management Response:</u></p> <p>It is not possible to have a separate fuel key for each item of small plant. Consider separate fuel key for each service area for fuel. Each Team Leader to record what small plant is being fuelled from separate tanks rather than via a fuel key.</p> <p><u>Responsible Manager:</u> C W – Environmental Services Manager Other Service Managers in line with fleet responsibilities</p> <p><u>Implementation Date:</u> January 2023</p>
4	M	<u>Fuel System – Staff Records</u>			<u>Management Response:</u>

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		<p>Walkthrough testing of the fuel systems found that there are staff who have left the Council who remain active on the system with keys still allocated to them.</p>	<p>There is a risk of potential fraud and theft if staff records remain on the system after they have left.</p> <p>If leavers are not being flagged on the system, then keys may not be returned - leading to potential cost implications for the Council and time taken to trace and deactivate them.</p>	<p>Assess the need for including the return and recording of any allocated keys in the leavers process.</p> <p>Conduct a thorough review of all systems to ensure that any staff who are no longer employed by the Council are removed and any allocated fuel and vehicle keys are deactivated or reassigned.</p>	<p>All Service managers to notify the Supplies & Facilities Team Leader and the Fleet & Logistics Technician of any staff who leave the Authority so that their access can be removed to both fuel and keys. All keys and fobs to be collected and returned when a member of staff leaves.</p> <p><u>Responsible Manager:</u> C W – Environmental Services Manager Other Service Managers in line with fleet responsibilities</p> <p><u>Implementation Date:</u> January 2023</p>
5	M	<p><u>Driver Efficiency and Performance</u></p> <p>At present, driver efficiency and performance are not being actively monitored and managed - with the exception of speeding incidents. The systems in place would allow for this to be achieved, however the metrics involved would need to be defined, tested and approved by management and possibly Unions first.</p>	<p>There is a risk of poor driver behaviour and performance which could potentially not be picked up if the Council does not monitor and manage it regularly.</p> <p>This in turn could lead to severe consequences for the</p>	<p>Define what the Council needs to monitor to promote the efficiency of drivers and the metrics that they could be measured against.</p> <p>Investigate what information can be provided by the existing systems and how it might be presented.</p>	<p><u>Management Response:</u></p> <p>See the response to item 2.</p> <p>Service Managers can access the tracking data under the tracker operational procedure currently in place. This will identify routes followed and speeds driven.</p> <p><u>Responsible Manager:</u></p>

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		Drivers are aware of what is expected of them, and inductions are revisited every 2 years, with licence checks being carried out every six months.	Council if there is an incident on the road.		<p>C W – Environmental Services Manager Other Service Managers in line with fleet responsibilities</p> <p><u>Implementation Date:</u> January 2023</p>
6	M	<p><u>Vehicles and Plant – ‘Master Lists’</u></p> <p>There is a 'master' list held for fleet and plant. The list is not consistent with other records in the format and information provided. Additionally, the records on the master fleet list does not match the fuel system with vehicles being recorded against different departments.</p> <p>Where plant equipment is not 'road-registered' it is given an asset code which is displayed in the fleet listings. However, the asset code is not used as an identifier in the fuel systems.</p>	Where the master list does not match the fuel system records there is a risk of bad management decision making due to confusion over where a vehicle is allocated, and a potential further risk that fuel could be charged to the wrong departments.	Review the format of how Fleet details are recorded and update the lists to make them consistent while containing all the necessary information relating to a vehicle.	<p><u>Management Response:</u></p> <p>Workshop and Fleet Team Leader to undertake a review of all the fleet lists for both authorities to ensure that the data is correct and consistent.</p> <p>Service managers should notify the workshop if vehicles are moved to other service areas to enable costs to be accurately allocated.</p> <p><u>Responsible Manager:</u> K H – Environmental Services Manager C W – Environmental Services Manager Other Service Managers in line with fleet responsibilities</p> <p><u>Implementation Date:</u> March 2023</p>

5. Independence and Ethics:

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

Head of Internal Audit Shared Services

Audit, Governance & Standards Committee

26th January 2023

Worcestershire Internal Audit Shared Service



Final Internal Audit Report

The Administration of North Worcestershire Community Safety Partnership Grant Money 2022/23

23rd November 2022

Distribution:

To: Community Safety Manager
Head of Community and Housing Services

Audit, Governance & Standards Committee

26th January 2023

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1. Introduction

- 1.1 The audit of the administration of the North Worcestershire Community Safety Partnership Grant Money was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2022/23 as approved at the Governance and Standards Committee on 28th July 2022. The audit was a risk-based systems audit of the administration of the North Worcestershire Community Safety Partnership Grant Money as held and distributed by Redditch Borough Council.
- 1.2 This review links to the Council's Strategic Purpose of 'Communities which are safe, well-maintained and Green' and the Community Priority of 'Community Safety and Anti-Social Behaviour.'
- 1.3 The following risk on the 4Risk system was relevant to this review:
 - COM6 – Community Safety – Reductions in funding from PCC
- 1.4 This review was undertaken during October 2022.

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2 Audit Scope and objective

- 2.1 This review was undertaken to provide assurance that North Worcestershire Community Safety Partnership grant monies are being held and processed by Redditch Borough Council in an open and transparent manner and are distributed in accordance with the purposes for which they are intended.
- 2.2 The scope covered the following:
- Audit trails relating to grant monies.
 - Controls over how the Council distributes grant money as required and within the appropriate timeframe.
 - Oversight and monitoring of money awarded.
 - Reporting
- 2.3 This reviewed covered the controls in place at the time of the audit.
- 2.4 This review did not cover the following:
- The amounts awarded in relation to the grants.
 - Actions and decisions taken by external partners.

3 Audit Opinion and Executive Summary

- 3.1 From the audit work carried out we have given an opinion of **full 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.

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- 3.2 We have given an opinion of **full assurance** in this area because all the key controls tested are in place and operating effectively and that no weaknesses have been identified in the design or operation of the system. Audit found that the controls in place are well embedded having been in place for several years and no significant issues were raised during testing.
- 3.3 The review found the following areas of the system were working well:
- Audit trails are maintained for the movement of grant money throughout the system
 - Controls are well embedded within the Council and the Community Safety team for the administration of grant money
 - There is regular, ongoing monitoring of projects and outputs throughout the financial year
 - Reporting is regular and takes place on several levels both within the Council and to the OPCC

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.

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
New matters arising					
There were no risks or control issues that require reporting					

5. Independence and Ethics:

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

Head of Internal Audit Shared Services

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Final Internal Audit Report

Homelessness Grants 2022/23

24th November 2022

Distribution:

To: Head of Community and Housing Services
Strategic Housing Officer

Audit, Governance & Standards Committee

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1. Introduction

- 1.1. The audit of the Homelessness Grants process was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2022/23 as approved by the Governance and Standards Committee on 28th July 2022. The audit was a risk based systems audit of the homelessness grants Process as operated by Redditch Borough Council.
- 1.2 This review relates to the strategic purposes of:
- Community Priority: Housing Growth, supporting people to help prevent homelessness
 - Community Priority: Skills, Support residence to manage finance and ensuring people get the benefits they need.
- 1.3 There are no risks on the corporate risk register relating to the areas under review. The service risk relevant to this review is:
- HOU7 – Fail to manage impact of increasing homelessness cases and recruitment challenges

There is a risk that more households who are threatened with homelessness, or who are in housing need, will have limited alternative options. There is also the risk that they may have to make a homeless approach, and this could consequently lead to the following negative outcomes:

- Increased B&B costs
- Increased rough sleeping in the district
- Impacts on the individual in terms of physical and mental health,
- Educational achievement, ability to work and similar through increased homelessness.

1.4 This review was undertaken during the months of August 2022 and September 2022

2. Audit Scope and objective

2.1. This review has been undertaken to provide assurance that funding received from central government is awarded only to those partners that comply with the government guidelines, are processed in an open and transparent and efficient manner and achieves the best outcomes that it can.

Where the grant received by the Council has not been spent, delegated authority to adjust and distribute elsewhere have been reviewed and agreed, in line with the original purpose.

2.2. The scope covered:

- Homelessness Prevention Grant, process including the awareness of the grant, recording of expenditure, process, and controls to ensure grant is spent in line with the terms of the grant.
- (RSI) Rough Sleepers Initiative, process including recording of expenditure, process, and controls to ensure grant is spent in line with the terms of the grant.

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2.3. This reviewed covered procedures in place at the time of the review.

2.4. This review did not cover the following:

- Any other housing grants
- Low Carbon Business Grants
- Business Grants

3. Audit Opinion and Executive Summary

3.1. From the audit work carried out we have given an opinion of **moderate** 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** in this area because the system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet its objectives. Assurance can only be given over the effectiveness of controls within some areas of the system.

3.3. The review found the following areas of the system were working well:

- Timelines for grant applications
- Overall application process is adhered to
- Successful award grant notifications.
- Good Plans/projects identified
- The continuous reviewing of what needs you need - help with progression

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

	Priority (see Appendix B)	Section 4 Recommendation number
Monitoring & Achievements of Plans/Projects	High	1
Publicity	Medium	2
Retaining relevant documentation	Medium	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.

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
New matters arising					
1	H	Monitoring & Achievements of Plans/Projects The purpose of the Homelessness Prevention Grant fund is to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness. The Government expects	Risk of theft, no transparency which could result in challenge from the public resulting in reputational damage.	To ensure that the Government funding is being used to achieve the purpose of that funding Quarterly monitoring to take place obtaining factual evidence that projects are spending monies where	We have considered what might be helpful in providing verification of grant expenditure including bank statements and receipts and am starting to have discussions with partners regarding this. We hope to have this in place by the end of this

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		<p>local authorities to use it to deliver the following priorities:</p> <ol style="list-style-type: none">1. To fully enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness2. Reduce family temporary accommodation numbers through maximising family homelessness prevention3. Eliminate the use of unsuitable bed and breakfast accommodation for families for longer than the statutory six-week limit. The current issues highlighted are that more and more B&Bs are being used, defeating one of the purposes highlighted above. <p>The current issues highlighted are that more and more B&Bs are being used, defeating one of the purposes highlighted above.</p> <p>Once a grant has been awarded there is little monitoring of how these grants are being spent. The monitoring consists of discussions on cases rather than overall outcomes and achieving of objectives.</p>		<p>stated, including but not limited to statements of return, spreadsheets, receipts as relevant to the amount of grant awarded.</p> <p>This needs to especially apply to those grants that have been awarded outside of the Council's boundaries with the intention of helping the residents of the Council.</p> <p>Overall, there needs to be transparency over how the awarding of grants is achieving the Council's strategic plan/policy and ultimately the purpose of the funding.</p>	<p>financial year for this financial year.</p> <p>Responsible Manager:</p> <p>Strategic Housing Officer</p> <p>Implementation date:</p> <p>31st March 2023</p>
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2	M	<p>Publicity</p> <p>Grant recipients are required to acknowledge the support of the Council in all promotional material related to the funded project:</p> <ul style="list-style-type: none">i) All printed information must include an acknowledgement of the support of the Council. The official the Council logo can be supplied electronically on request. Alternative versions of the Council's logo must not be used under any circumstance.ii) All press releases issued by the grant recipient relating to the funded project must include an acknowledgement of the support of the Council.iii) Any evidence that the Council's support has been acknowledged should be provided with monitoring information. <p>Information on grant awards will be published on the Council website and in the local press. Follow-up publicity on grant awards may be undertaken throughout the year. Grant recipients are required to consent to their funded project being profiled in any publicity to promote the Council's voluntary sector grants process.</p>	<p>The grants are not reaching and being applied for by the target audiences therefore not helping the Council to achieve its objectives resulting in financial loss from a waste of public funds.</p>	<p>There needs to be a decision made as to whether this should be a requirement or not.</p> <p>If it is too be a requirement, then the Council need to make sure that this is being implemented as part of the monitoring process.</p> <p>It is important that this is monitored as any issues with the organisation could impact on the Council's reputation.</p>	<p>We will be requesting contact from the partner prior to publicity to ensure that we are happy with the proposal. We will then require evidence of promotional material whether in paper or electronic format.</p> <p>Responsible Manager:</p> <p>Strategic Housing Officer</p> <p>Implementation date:</p> <p>30th April 2023</p>
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		There is little evidence that this is being undertaken.			
3	M	Retaining Relevant Documentation There are a few applications and other documentations that have been lost due to email archiving,	Loss of audit trail challenge on any grants given leading to potential financial loss and reputational damage.	Information to be saved within the relevant folders in a timely manner and not stored within outlook or own personal folders.	All applications and correspondence is now saved onto the K drive including email contact. Responsible Manager: Strategic Housing Officer Implementation date: 30 th November 2022

5. Independence and Ethics:

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

Head of Internal Audit Shared Services

Overview of Follow Up Programme

	Year of Review	Review Area	Assurance	Follow Up Position	Indicative Date of Follow Up		Conclusion
RBC	20/21	Orb	Moderate	Completed			
RBC	20/21	Use of Agency and Consultancy	Critical review	Completed			Positive direction of travel. Now needs to embed with one small area to address which requires a system update.
RBC	21/22	Strategic Acquisitions	Significant	Completed			
RBC	21/22	Procurement	Limited	1st	Sep-22	Q2	Update report provided
RBC	21/22	General Data Protection Regulation	Moderate	1st	Nov-22	Q3	Position to be confirmed
RBC	21/22	Grants	Significant	1st	Nov-22	Q3	Position to be confirmed
RBC	21/22	Treasury Management	Significant	1st	Dec-22	Q3	To be followed up as part of the 22/23 Audit Quarter 3
RBC	21/22	Accounts Receivable	Limited	1st	Dec-22	Q3	To be followed up as part of the 22/23 Audit Quarter 3
RBC	21/22	Asbestos	Significant	1st	Feb-23	Q4	Follow up programmed for Feb

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	Year of Review	Review Area	Assurance	Follow Up Position	Indicative Date of Follow Up		Conclusion
RBC	21/22	Gas Inspections	Significant	1st	Feb-23	Q4	Follow up programmed for Feb
RBC	21/22	Council Tax	Significant	1st	Nov-22	Q3	To be followed up as part of the 22/23 Audit Quarter 3
RBC	21/22	National Non-Domestic Rates	Significant	1st	Nov-22	Q3	To be followed up as part of the 22/23 Audit Quarter 3
RBC	21/22	Risk Management	No	1st	Nov-22	Q3	Full 22/23 Audit to be undertaken
RBC	21/22	Benefits	Significant	1st	Nov-22	Q3	To be followed up as part of the 22/23 Audit Quarter 3
RBC	21/22	Projects	Moderate	Completed			Positive direction of travel. Although there are a couple of partially implemented recommendations this needs time to embed.
RBC	21/22	Budget Monitoring	Critical review	1st	Oct-22	Q3	To be followed up as part of the 22/23 Main Ledger Audit Quarter 3
RBC	21/22	Fuel Usage	Critical review	Completed			The findings from this were rolled into the 22/23 audit and reported on.

Note: 2022/23 Review areas will be added to the table when them become due for a follow up visit.

Follow Up Reports

Worcestershire Internal Audit Shared Service



Bromsgrove
District Council
www.bromsgrove.gov.uk

The Orb 2021/22

2nd Follow-up Report - 26th October 2022

Distribution:

To: Head of Transformation
ICT Transformation manager
ICT Operations Manager

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Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 27/08/2020. The first follow up took place on the 07/10/2021 and has been followed up for a second time because:

- 2 medium priority recommendations remained outstanding:

Please note that recommendations implemented prior to the first follow up have not been included in this report.

To provide an updated position the following audit approach has been applied:

- The 2 ‘medium’ priority recommendations outstanding from the first follow up have been updated with the current position.
- Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

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Section B - Conclusion - Current Position statement

The original audit report gave **Moderate Assurance** over the control environment. The first follow-up found that one 'medium' priority recommendation was not implemented, and one 'medium priority' was partially implemented.

The 2nd follow-up found that both remaining 'Medium' priority recommendations have been implemented.:

As all the outstanding recommendations have been implemented the risk to the authority has been reduced and, as a result, no further follow ups are required to take place.

This follow up was undertaken during the month of October 2022.

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Section C – Current Position

Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 30th September 2021</u>	<u>2nd Follow up Position 7th October 2022</u>
1 Medium	<p>Ownership</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>	<p>Not Implemented</p> <p>Although changes have started to be made to the orb (see recommendation 2), this action is still to be commenced and has been delayed due to other work commitments.</p> <p>It is hoped that this will be undertaken in December 2021.</p>	<p>Implemented</p> <p>There has been a change in direction since the last review, as a new project plan has been developed around the orb and user access, this is currently on-going for the next 18 months and is due to be completed by 2024.</p> <p>The Head of Transformation, OD & Digital Services is the sponsor of the project and the service is currently in the process of conducting recruitment to put onto the project board. Recruitment of what to put onto the project board. This will be achieved by Quarter 1 of the 2023-24 financial year.</p> <p>The project is in place to look into the way the orb is being used, the content stored, the interface design, user accessibility and friendliness.</p> <p>Due to the change in the direction of travel, there is still a strategy being developed but this will be implemented</p>

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Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 30th September 2021</u>	<u>2nd Follow up Position 7th October 2022</u>
				by 2024 when the project is near completion,
2 Medium	<p>User friendly</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:</p> <p>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 provided through the user group. N Perrett and N</p>	<p>Partially Implemented</p> <p>There is a positive direction of travel as some changes have started to take place on the orb following the audit review – a new and updated homepage has been implemented and work has been conducted to remove items that should not be on the orb.</p> <p>The search engine has had a background overhaul to enable it to be nimbler on searching for specific documents and as a result of the work, the results coming back are more relevant. ICT have stated that the user will not notice a change to the appearance of the search engine but will experience the improvement when searching items.</p> <p>However, since the pandemic resources have been used on the</p>	<p>Implemented</p> <p>Following the previous point, since the 1st follow up there has been a change in direction as the service has set up a new project plan to look at the Orb user friendliness and user access.</p> <p>The service is currently appointing a digital person to oversee and monitor the project progress.</p> <p>It is anticipated that the project will take 18 months to fully complete. (2024).</p>

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Ref./ Priority	<u>Recommendation</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 30th September 2021</u>	<u>2nd Follow up Position 7th October 2022</u>
		<p>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>	<p>public website to improve certain items and this has caused delays in some areas of lower risk.</p> <p>ICT have had to delay the implementation on the remaining items that require implementation to March 2022.</p>	

Worcestershire Internal Audit Shared Service



Bromsgrove
District Council
www.bromsgrove.gov.uk



Use of Agency Staff and Consultants 2020-21 – Critical review

1st Follow-up Report - 18th August 2022

Distribution:

To: Procurement Officer
Head of Business Transformation, Organisational Development and Digital Strategy
Human Resources & Development Manager
Section 151 Officer

Cc: Chief Executive

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Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 04/03/2021 and is being followed up because:

- 3 challenges were made: and
- At least six months has passed.

The following audit approach has therefore been applied:

1. The challenges have been updated with the current position.

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Section B - Conclusion - Current Position statement

As this was a critical review, there was no level of assurance given and although no recommendations were formally made management did provide an action plan with implementation dates to address the challenges raised.

This follow up has confirmed of the three challenges made, all three challenges relating to 'Use of Matrix', 'Legislation compliance' and 'Budgetary and actual spends on agency and consultancy workers' have been partially implemented due to both Bromsgrove District Council and Redditch Borough Council deciding on a change of direction since the initial review.

Finance is preparing within the Enterprise Resource Planning (ERP) system a new module which will allow HR/Procurement to identify new contractors including new agencies and consultants which will require sign off before services can use them therefore providing for an additional control.

It can be reported that although not all aspects have been implemented, there has been a positive direction in travel for each of the authorities and a lot of work has been undertaken to improve the monitoring of agency staff and consultants in addition to helping services to improve how they monitor their spending, therefore no further follow ups will be required.

This follow up was undertaken during the month of August 2022.

Audit, Governance & Standards Committee

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Section C – Current Position

Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 18th August 2022</u>
1	<p>Use of Matrix</p> <p>1.) During the review it was found that not all processes are being adhered to, so can both Redditch Borough Council and Bromsgrove District Council provide assurance that there is a robust control in place to monitor the in-take of agency staff through Matrix, as well as the in-take of agency staff from agencies outside of Matrix including the use of exemption forms?</p> <p>2.) Is enough being done to assess if Matrix is fit for purpose and fits the needs of the Council to find and bring in agency staff who are skilled and qualified in the job role advertised?</p>	<p>HR & OD Manager Comments</p> <p>The decision to continue with Matrix was taken at a Corporate level with a commitment from services to reduce their reliance on agency staff. The contract was extended on a plus 1 to allow the flexibility to review once the use and spend of agency staff is reflective of the requirement moving forward thus enabling a review of the actual requirements and not on a like for like basis.</p> <p>HR are clear with Managers that only Matrix can be used for agency staff</p> <p>There is a clear agreement with Matrix that if the contract is not providing the level or specialist staff required that they will source the required companies to extend the agencies available to us on Matrix. Issues need to be reported to HR to ensure this can be picked up with our account managers.</p> <p>Procurement Responses</p>	<p>Partially Implemented</p> <p>Since the review was undertaken there have been no changes to the way Matrix is being utilised in each authority and should be the only entity utilised when bringing in agency workers.</p> <p>HR and Procurement are currently unaware if services are still using other entities to Matrix and only find this out after the event has taken place.</p> <p>The direction of travel has changed slightly as the authorities are looking to utilise the new ERP system as it allows services and finance to analyse the data better for monitoring the spend. Finance and Procurement are currently working to introducing a new module where new contractors will go through Procurement prior to payments being put through, which means there will be a reasonable control in place to prevent services from going outside of the remit. This will be implemented in April 2023.</p>

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up</u> <u>Position 18th August 2022</u>
	<p>3.) Is there value for money within this contract especially considering the additional resources used by the Services to undertake their own groundwork in the identifying, and engaging of agency staff themselves? If not, is there evidence that the council is proactively challenging matrix on its provision under the contract.</p> <p>4.) Have the Council considered the benefit of providing feedback surveys to staff on the use of Matrix to help the authority form a better working relationship with Matrix for future agency work hire and also to aid the authority with future contract specifications for the use of agency workers?</p> <p>5.) Has the authority looked at other avenues to support service areas with bringing in specialists especially when the Matrix contract ends?</p>	<p>The Matrix contract needs to be managed to ensure they are fulfilling the requirements. Officers need to speak to Matrix if they are not getting the correct candidates through so they have the opportunity to resolve this, HR as contract managers should be involved also.</p> <p>There are other compliant contracts with other neutral vendors similar to Matrix available.</p> <p>Some agencies will not sign up to Matrix as they do not want to lose the large margins achieved by signing up direct with the council. Matrix protects the council from this.</p> <p>Matrix provides candidates but it is ultimately for service areas to assess skills and qualifications before offering a placement.</p> <p>No whole organisation oversight of staff who have worked on temporary contracts outside of Matrix and may therefore trigger fees if re-employed.</p>	<p>There are disciplinary procedures in place if management opt to use a different avenue to Matrix.</p>

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 18th August 2022</u>
	<p>6.) As service areas need to bring in specialists from outside of Matrix, are both authorities able to</p> <p>7.) provide assurance that there is the correct level of support in place to support services to go to other agencies if it provides value to the authority in enabling it to reach its goals?</p> <p>8.) As discussions with several service areas has raised concerns around Matrix not having specialists on their books, is the authority able to provide assurance that Matrix can find and provide specialists to aid the services deliver their service strategy?</p>		

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up</u> <u>Position 18th August 2022</u>
2	<p>Compliance with Legislation</p> <p>1.) Following discussions with service areas there were instances learnt where services over the last 5 years have not been adhering to the procurement process. Therefore, can the authority provide assurance that there is a sound control in place to investigate weaknesses in the system?</p> <p>2.) Are both authorities able to provide assurance that if service areas are not following the correct procedure rules for using agency staff and consultants that there are sanctions set up and in place to mitigate the risks to the authority?</p> <p>3.) Is the Council undertaking enough monitoring of the length of service of agency workers to ensure that they do not breach</p>	<p>HR & OD Comments</p> <p>HR are clear that we will not support Managers accessing agencies outside of Matrix</p> <p>HR have no knowledge if Managers go to other agencies, this block needs to be in place and service and HOS level to ensure order / invoices are not approved.</p> <p>Procurement Comments</p> <p>Any staff used outside of Matrix is a breach of the contract procedure rules and a breach of the Matrix contract.</p> <p>No process for legal review of agency terms and conditions outside of Matrix</p> <p>All relevant staff should have attended Procurement Training in the past year and should be aware of the Procurement Rules. Future procurement training should directly address the issue of temporary staff.</p>	<p>Partially Implemented</p> <p>The follow up found that there has been no change since the initial review was undertaken.</p> <p>Currently HR and Procurement have no knowledge if managers go to other agencies unless they come forward and let them know.</p> <p>There has been a training session conducted in the past couple of years on Procurement to make services aware of the procurement rules and training since this time has been on an Ad-hoc basis when services wish to understand the processes more.</p> <p>Currently updates are taking place on the ERP system which should be implemented by the end of March 2023, which will allow procurement and finance to see purchase orders and gather a good understanding of whether agencies outside of Matrix are being utilised.</p>

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up</u> <u>Position 18th August 2022</u>
	<p>Council and government (HMRC) rules.</p> <p>Challenges around Section 24 notice</p> <p>4.) Since the section 24 notice was given, there was an employment freeze unless it is business critical, is the authority able to give assurance that it is confident that all services would have a full understanding of what business critical entails especially in the current times with COVID-19.</p>		
3	<p>Budgetary and actual spends on agency and consultancy workers</p> <p>1.) If there is no consistency in the recording of actual expenditure on agency workers and consultants how is the Council ensuring that it is being fully transparent with its expenditure for these cost areas? Would it not be better to have a cost code for these areas even if there is no budget allocation so that there could be full monitoring and transparency</p>	<p>Finance Comments: -</p> <p>The finance team will encourage with budget holders on monthly and quarterly budget monitoring that the dedicated account code for agency workers is monitored and reviewed along with the relevant budget manager. It is also expected when the new ERP finance system is implemented budget holders will be able to see live expenditure and therefore able to monitor more efficiently any mis coded and/or expected agency expenditure immediately rather than relying on current spreadsheets sent monthly.</p>	<p>Implemented</p> <p>Since the review has been undertaken there has been a change in direction as historically budget and actual spends were being monitored by the accountants within finance.</p> <p>Staffing issues within the financial services are being resolved, but agency staff are still being utilised where recruitment to technical posts is proving difficult.</p> <p>A new finance module is being prepared to go live in April 2023 which will allow Procurement to</p>

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up</u> <u>Position 18th August 2022</u>
	<p>especially with the current S24 and the need to reduce the costs of the council now and in the coming years. As there have been limitations within the current financial system is this something that is being considered and implemented for the new financial system?</p> <p>2.) How is the Council able to fully monitor its reliance on the provision of agency workers and the use of consultants in order to review this expenditure with the aim to reduce future costs.</p> <p>3.) Can the authority provide assurance that if they are using an incorrect cost code that there is a clear audit trail in place in case of challenge?</p> <p>4.) As consultants and agency staff are paid a higher rate to work in comparison to full time staff, is the authority able to provide assurance under the Section 24 notice, that agency</p>	<p>Procurement comments: -</p> <p>There is a cost code for agency staff, but query whether it is used consistently or appropriately?</p>	<p>monitor procurement projects including agencies and consultants being utilised.</p> <p>In June 2022 a monitoring package was introduced, which will enable both the budget holder and the finance department to monitor both the budget and actual spends more clearly, using the data from April 2022 onwards.</p>

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 18th August 2022</u>
	<p>staff and consultants are only brought in as an absolute last resort when other avenues have been explored?</p> <p>5.) With certain service areas requiring specialists to be able to do the job role this has caused some issues with employing permanent employees into the role. Is the council confident that it has explored all avenues e.g. market supplements, benefits packages etc while still complying with the councils current pay model and terms and conditions of employment, in order to address this and ensure that the Council is using the most cost effective method of providing a service to the Public.</p> <p>6.) During the review it was found that the controls for bringing in agency staff should be that the head of service signs it off and then it goes to CMT for</p>		

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Ref./ Priority	<u>Challenge</u>	<u>Management Response and Action Plan</u>	<u>1st Follow up Position 18th August 2022</u>
	approval. However, as it was learnt during the review that some services have gone to agencies outside of Matrix, can the authority provide the assurance that CMT are aware of services going to other agencies outside of Matrix?		

Worcestershire Internal Audit Shared Service



Bromsgrove
District Council
www.bromsgrove.gov.uk

**Strategic Acquisitions (Purchasing for regeneration land and property) Audit 2021/22
1st Follow-up Report - 26th October 2022**

Distribution:

To: Head of Finance and Customer Service
Section 151 Officer

Audit, Governance & Standards Committee

26th January 2023

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Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 13/10/2021 and is being followed up because:

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

The following audit approach has therefore been applied:

- The 1 'Medium' priority recommendation has been updated with the current position.
- Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

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Section B - Conclusion - Current Position statement

The original audit report gave **Significant Assurance** over the control environment. This is the 1st follow-up.

Due to the changes in 2026 in relation to the EPC ratings the Councils are undertaking a full review of their Asset portfolio.

A quarter 1 2022/23 monitoring report has already been presented to Bromsgrove District Councils Cabinet Committee in October 2022 and Redditch Borough Council Executive Committee in September 2022 setting out the Asset Disposal Strategy.

The wider Asset Strategy was presented to the Redditch Borough Council Executive Committee on 25th October 2022 and the Bromsgrove District Cabinet on 26th October 2022 by the Head of Legal, Democratic and Property Services and supported by the Interim S151 Officer.

The Asset Strategy sets out the present portfolios (operational, investment and surplus) and the process to evaluate these properties in relation to:

- 1) Being fit for service purpose (including investment)
- 2) Investment required to keep them to standard
- 3) Income generating potential

It is anticipated this process will take approximately a year but at the end of it the Councils will understand their full property portfolio (including investment properties), their value, income generating potential, if they are still fit for purpose and what investment would be required to fulfil new legislative standards.

The Councils are moving in a positive direction and the recommendation within the 2021/22 Strategic Acquisitions Audit has been superseded by a wider project which will provide a solid foundation for future decision making around the asset portfolio of the Councils.

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While currently the Council acknowledges that risks at this time remain and are being monitored a greater risk would remain if the review were not undertaken.

This follow up was undertaken during the month of October 2022.

Section C – Current Position

Ref./ Priority	Recommendation	Management Response and Action Plan	1 st Follow up Position 11 th October 2022
1 Medium	<p>Scoring and transparency of the criteria within the report</p> <p>The report and criteria need to reflect one another to ensure consistency and no assumptions. Either changing the criteria within the strategy or using the criteria within the report is required. There needs to be a reason documented within the report if the investment does not meet the Excellent, Very Good, Good and why the Council is still proceeding with the Investment. If it does fit, why it exceeds expectation. The Strategy needs to be clear as to what documents need to be submitted with the report to gain approval for the investment. If documents are optional a clear statement of exception must be included in the report.</p>	<p>Response: Agree with the findings.</p> <p>Action: Review and amend the Acquisition and Investment Strategy for Redditch Borough Council and Bromsgrove District Council adjusting the criteria so that it falls under headings so that the report will reflect the criteria. Will consider what documents need to be submitted or optional and update the Strategies.</p> <p>Responsible Manager: Head of Financial and Customer Services</p> <p>Implementation date: 31st March 2022</p>	<p>Superseded</p> <p>A much bigger project is being undertaken to provide a better understanding of the Asset portfolio currently held and provide a foundation for further decision making which will ultimately result in a new Acquisition and Investment Strategy.</p>

Worcestershire Internal Audit Shared Service



Bromsgrove
District Council
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Projects 2021/22

1st Follow-up Report – 4th October 2022

Distribution:

To: Business Improvement Manager

Cc: Head of Business Transformation, Organisational Development and Digital Strategy

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Section A - Justification of Audit Follow-up Approach

The date of the final audit Report was 9th September 2021 and is being followed up because:

- At least six months have passed since the original audit was carried out.

The following audit approach has therefore been applied:

- The Management considerations and action points have been updated with the current position.

Section B - Conclusion - Current Position statement

The original audit report gave **Moderate Assurance** over the control environment. This is the 1st follow-up.

The project Management Framework has been reviewed and updated. Training has been offered and delivered to 4th and 5th tier managers so that they are aware of the methodology and clear on responsibility, accountability, and reporting lines.

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Projects have now been categorised into 3 categories 'Continuous Improvement' 'Service Innovation' and 'Corporate Projects' and defines the approval, management, monitoring and documentation process for each category.

The Senior Management Team have identified projects that require corporate oversight / monitoring. The Business Improvement Team will be responsible for gathering updates from the services on the progress for those projects identified by SMT requiring oversight, to present within a report to CMT quarterly. This includes a RAG rating so that any concerns are easily visible. The corporate oversight falls under the responsibility of CMT.

Internal Audit advise that SMT should be made aware of any concerns on projects not identified as requiring oversight at an early stage, so that a decision can be made as to whether to add it onto the corporate oversight/monitoring report. It would be advisable to still monitor the overall number of projects in each category to ensure there is sufficient specialist resources and budgets to manage and deliver all projects for the various services. The Council has responded to advise: These elements are considered but not referenced in the framework. This will be included in the framework to ensure oversight of the resources needed to deliver all the corporate initiatives.

Generally, the follow up has identified that the Council is moving forward in the right direction. There are a couple of actions that are not fully implemented around the consideration of a suitable system to record projects and ensuring there is sufficient resources trained in Prince 2. There is an ongoing piece of work to establish which system would be best placed to record projects. In relation to project training, the corporate training plan provides opportunities for employees to be trained in Prince 2. A reminder will be sent to all Heads of Service to encourage take up of this training.

As this is a new process, Internal Audit recommend the process and effectiveness of the corporate oversight is reviewed after a reasonable period as well as the completion of any action plans to ensure that concerns/risks have been addressed within a timely manner. The Council has planned for an internal review in Q4 2022/23.

This follow up was undertaken during the month of July 2022

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Section C – Current Position

Ref.	Areas where controls could be strengthened	Recommendation/challenge	Management Considerations & Action Points	1 st Follow up Position 7 th July 2022
1	<p>Corporate understanding of the term ‘Project’</p> <p>To understand corporately how a project is to be defined council wide.</p> <p>This may be a loose statement based on criteria such as type, size, value, complexity.</p>	<p>A simple flowchart/decision tree could be used to help officers identify what projects must follow the Project Management Framework and what projects such as service improvements fall outside the definition. This could also include where to go for advice if this is not easily determined.</p> <p>This could also help to determine which initiatives need to be included on the projects register and which may be overseen by Management within the individual Service area carrying out the initiative.</p>	<p>The Project Management Framework will be amended to include a flowchart/decision tree to determine which projects require the use of the framework. Project criteria will be determined for inclusion in the framework.</p> <p>The flowchart/decision tree will also detail what categories, definitions, and exceptions will be monitored by the Corporate Management Team and which are service specific.</p> <p>Responsible Officer: Business Improvement Manager</p> <p>By: December 2021</p>	<p>Implemented</p> <p>The Project Management Framework has been updated and includes a project management flow chart and categories for projects:</p> <ul style="list-style-type: none"> • category 1. continuous improvement • category 2 service innovation • category 3 corporate projects. <p>The section covering monitoring explains the involvement by the Corporate Management Team who will assess quarterly, the status of Category 3 projects and Category 2 where applicable.</p>

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2	<p>Allocation of responsibility for Management oversight, monitoring and intervention to strengthen governance with an additional layer of control.</p> <p>There is currently no defined and understood corporate responsibilities in place for project management oversight and the ability to intervene if project timelines, risk or spend are identified as not meeting documented targets/budgets.</p>	<p>Define and agree clear lines of accountability for corporate oversight within the authority in relation to oversight, monitoring and intervention</p> <p>Once there is allocated corporate responsibility for oversight and reporting with defined timescales. Decide types and level of intervention that could be required and develop processes to apply these in a uniformed and transparent way.</p> <p>Consider, identify and document the realistic number of projects that can be corporately monitored and define how the success of corporate oversight can be tracked, e.g., achievement of project following corporate intervention.</p>	<p>The Project Management Framework will be amended to include clear allocation of responsibility, accountability, and reporting lines.</p> <p>The Business Improvement Manager working with CMT will identify projects to be corporately monitored, this will include how success will be tracked and the use of reporting templates to achieve this.</p> <p>Responsible Officer: Business Improvement Manager</p> <p>By: November 2021</p>	<p>Implemented</p> <p>The Project Management Framework has been updated to show clear allocation of responsibility, accountability and reporting lines. The Framework includes details on which projects are to be corporately monitored (by CMT), how success will be tracked. The Business Improvement Team use the reporting templates to present the information gathered from the services to update CMT on the projects selected for monitoring.</p>
3	<p>Recording, monitoring and reporting of Projects</p>			<p>Not Implemented (Temporary Option has been explored)</p>

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	<p>There is no system for the tracking of projects.</p> <p>Implementation of a fit for purpose system used corporately would enable the Council to track projects and their progress and can produce corporate reports that identify success and failures within individual projects, meaningful metrics on overall project achievement (percentage completed, time to deliver, trigger points, risks, flags etc.)</p>	<p>Investigate to see if any of the systems currently operated by the council would be capable of operating a live system to be able to report at any time the progress of the project against the programme milestones, risks, budget. Using RAG ratings for ease of reporting and to use as a trigger / early warning system for reporting of any concerns or emerging risks.</p>	<p>Existing corporate systems will be explored to understand if they are suitable to be used to track project progress. For example, the 4Risk system.</p> <p>If existing systems are unsuitable consideration will be given to procuring an external system. This action will be dependent on the financial position at the time.</p> <p>Responsible Officer: Business Improvement Manager</p> <p>By: March 2022</p>	<p>The use of the 4Risk system is still to be explored for suitability. A temporary process has been in use since Jan 22 utilising Teams channel.</p> <p>This will be reviewed along with the overall monitoring process in Q4 22/23 if not rectified prior (i.e., when finance fully resourced and 4Risk explored for its suitability).</p>
4	<p>Project Risks</p> <p>Testing identified:</p> <ul style="list-style-type: none"> The issue register does not show the date of the update. All actions remain open Risk Register. All risks recorded on this register are still shown as active from 2018 to date There is no evidence as to learning from entries on the lessons learn register. 	<p>Corporate monitoring of the processes and subsequent risks is performed to identify if elements remain unresolved and intervention is required to close, mitigate risk or move forward with the project. For example, ensuring individual items on issues logs are acted upon. In addition, a review of project documents may identify risks not identified by the service area.</p>	<p>The inclusion of technical specialists at Project Board meetings or at CMT meetings along with the Project Manager will be implemented.</p> <p>Responsible Officer: Head of Transformation, OD & Digital Services</p> <p>By: December 2021</p>	<p>Implemented</p> <p>Included within Project Management Framework Project Board, Corporate Management Team (CMT) require assurance around outcomes and overall project coordination, CMT therefore will assess quarterly, the status of Category 3 projects, Category 2 where applicable (for example: complexity/political or budget implications), receive updates from projects led by third</p>

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	<p>The issue logs, lessons learnt log and risk logs are being completed and have highlighted areas of concern with regards to the Housing Project such as.</p> <ul style="list-style-type: none"> • Procurement • Lack of policies held by the service, • Delivery of the project and timescales during the pandemic • Resources stretched/left • Service review during the project which impacted on staff availability and staff moving from fixed term contracts to permanent roles within the authority. • Project Lead Reporting on behalf of all areas. • Senior Users and the Project Board accountable for reviewing risks throughout the project. <p>Issues recorded on these logs are being discussed with Senior Users who are part of the project's functions. Solutions are offered. However, the main issue is around resourcing.</p>	<p>Where there is a technical issue, this may be more appropriate for key stakeholders to report individually to the board so there is no misunderstanding of the issue.</p> <p>Currently as detailed in appendix A Project Functions within the PID. it appears the project Manager is responsible for reporting risks and issues, but should there also be accountability for reviewing risk by the Senior User and Project Board throughout the project?</p>	<p>The review of the Project Management Framework will outline the Senior User and Project Board responsibilities in relation to risks and issues and the actions needed to mitigate them.</p> <p>Responsible Officer: Business Improvement Manager By: December 2021</p>	<p>party organisations Project Managers will be required to report on project scope, time, budget, approvals, direction of travel, phases and escalations.</p> <p>The reporting template includes a RAG rating to identify the level of risk. A red indicator could be one or more of the following:</p> <ul style="list-style-type: none"> • A significant forecast over spends against budget • Delays against critical milestones • Problems with quality that lead to significantly increased work and cost • Significant lack of resources which cannot be resolved by the project manager. • Dissatisfaction or resistance from stakeholders that mean acceptance may be delayed all the benefits not achieved <p>When considering a project with red indicators, senior management are advised to review the project with the project manager to identify the root causes and identify an action plan required to prevent further</p>
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				<p>deterioration and minimise the damage caused to the overall organisation.</p> <p>An amber indicator can be an indicator of one or more of the following:</p> <ul style="list-style-type: none">• A significant forecast overspends against the budget of say more than 5%.• Delays against critical milestones more than say two weeks.• Problems with quality therefore actions may be required.• Lack of resources which can be resolved by the project manager.• Dissatisfaction or resistance from stakeholders addressed by the project manager <p>In response to an amber indicator, senior management are advised they may want to maintain a watching brief over those projects not necessarily intervening but keeping an eye on the potential for the project to move into the red.</p>
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5	<p>Service Improvement Projects (projects excluded from the Prince 2 methodology)</p> <p>Testing identified:</p> <p>Projects listed on the draft corporate project register were found to have not followed the methodology as they were deemed as service improvements by the project leads.</p>	<p>Decided as to what type of projects should have corporate oversight and monitoring and there is a clear process to follow for any projects that fall outside the project's framework. Explore Microsoft projects application to see if this could be used for projects that fall outside the prince 2 framework.</p> <p>Currently all projects are being managed in house. It would be advisable to consider what oversight the authority would have on projects led by 3rd parties and how the risk would be managed.</p>	<p>Options for the approach to projects identified as being outside of the project framework will be included in the review of this document. Suitable option will be agreed with the CMT. It is anticipated that reporting to CMT will be by exception via the service manager or project lead.</p> <p>Options to ensure feedback is received about the progress of externally managed partner projects will be included in the Project Management Framework after further discussion with the CMT.</p> <p>Responsible Officer: Business Improvement Manager</p> <p>By: December 2021</p>	<p>Implemented</p> <p>Details of projects outside the monitoring scope are included within Project Management Framework on page 2 (Cat 1 Continuous Improvement)</p> <p>These are "Service improvement" projects. Usually within a service, change activity that should run alongside business-as-usual activities. Where managers are acting on what needs to happen, doing the right thing and making necessary changes.</p> <p>Within the monitoring Section of the Project Management Framework. It states that CMT require assurance around outcomes and overall project coordination, this will include updates from projects led by third party organisations.</p>
6	<p>Training</p> <p>Testing identified:</p>		<p>Heads of Service will arrange for some of their teams to</p>	<p>Partially Implemented</p>

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	<p>Officers working on projects outside of the methodology felt comfortable leading the projects due to their technical knowledge and expertise of working within that service. These officers were not aware of the methodology.</p> <p>There are currently 14 staff across RBC and BDC that are recorded as have Prince2 Foundation on the central training record and 6 staff that have completed the Introduction to Project Management training</p>	<p>There is corporate oversight to ensure that there is sufficient staff that have the skills needed to lead on complex projects. Consider skills needed for projects outside of the framework to ensure Officers are competent to deliver the project/service improvement in line with corporate policy. In service areas where there are no staff trained on Prince 2 ensure there is policy and procedures in place and technical officers have capacity to take time away from their day job to work on the project when considering resources needed for the project.</p> <p>Use the information within the lesson learnt and feedback from the project lead to look for ways to improve the process and ensure officers working on projects are kept up to date with any learning and changes to the process.</p>	<p>undertake project management training in order to improve and increase the project management skills within the organisation.</p> <p>Responsible officer: CMT and Business Improvement Manager By: March 2022</p> <p>Following the amendments to the Project Management Framework, the Business Improvement Team will provide and facilitate training sessions to service managers. This will include the importance and use of all elements of the framework including: issue logs, lessons learnt, and risk logs and the actions required for success.</p> <p>Responsible Officer: Business Improvement Manager By: February 2022</p>	<p>Heads of Service are to consider which team members required Prince 2 training within their areas and confirmed with Learning & Development it will be incorporated into the corporate training programme. Until training takes place, those trained and willing to support others are listed in team's channel.</p> <p>Implemented</p> <p>Actions taken place:</p> <p>A Project Management Framework Teams channel has been set up which provides :</p> <ul style="list-style-type: none"> • Discussion opportunities • Presentation slides & Project Management Folder within Teams.msg Project Management Framework <p>The Project Management Framework is available to refer to on the orb</p> <p>All 4th & 5th tier managers and service specific staff were invited to attend "awareness & training"</p>
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				<p>sessions. 7 sessions were carried out within March 22 where around 90 attended.</p> <p>Communications in Team brief & Oracle</p>
7	<p>Methodology, Record Keeping and Resourcing</p> <p>Testing identified;</p> <ul style="list-style-type: none"> A Business Case 'Improvement to HRA through Rent Management System' which was approved dated July 2020 on the document but still shown as draft. To prevent any confusion, documents which are approved should be complete and changed to Final. Approval for the business case was not held within the audit trail by the project lead. To safeguard the project lead it would be advisable to hold a copy of approval (where they are not recorded within minutes) for the various stages of the project in a retrievable form such as an email. This is to prevent any misunderstand or future challenges over decisions made. 	<p>Resilience is needed within project team should officers resign or transfer to other positions within the council, or not be available for work due to other commitments/illness. This is especially important for complex projects where individual knowledge is gained on project elements that may not be easily or quickly transferred.</p> <p>A process to evidence approval of the Business Case and Project Board Project Initiation Document (PID and decision making.</p>	<p>The option to nominate a deputy project manager will be included in the review of the Project Management Framework. Particularly for high value, complex projects. This will be dependent on budget and resource constraints.</p> <p>Responsible Officer: Business Improvement Manager</p> <p>By: December 2022</p> <p>The need to evidence Business case and PID approval will be actioned with amendments to the Project Management</p>	<p>Implemented</p> <ol style="list-style-type: none"> Within the Project Management Framework - Project Scope Document template. There is mention under the team role for a nominee Deputy project Manager for high complexity project and budget availability. Within updated framework Section 6 The approval Process – Business Case and training slides it states how approval should be obtained. <p>Not Implemented (covered off in ref 3 above)</p> <ol style="list-style-type: none"> Please see Ref 3 - Recording, monitoring and reporting of Projects (The use of the 4Risk

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	<ul style="list-style-type: none"> Within the Project Board Project Initiation Document (PID) there were names against suppliers missing. For resilience documents should be fully completed or an audit trail if information provided at a later stage so that information can be retrieved within a timely manner should the project lead not be available. Within the framework there is a Data Protection Impact Assessment (DPIA) process to evidence compliance with the requirements of the General Data Protection Regulations 2018. The testing established that Data Protection assessment document was still in draft. The framework suggests this needs to be completed if you are starting a project especially when they will be new systems. 	<p>Maintaining an accurate audit trail held centrally and available to the corporate team will help to understand the decisions that have been made up to that point and the progress to date. Consideration could be given to a deputy project manager for complex and long projects to improve resilience and avoid a potential single point of failure.</p> <p>The audit trail must contain evidence of approvals/decision making in the event of a challenge and to safeguard the officer.</p>	<p>Framework, as well as covered in the training sessions.</p> <p>Responsible Officer: Business Improvement Manager By: December 2021</p> <p>See point 3 regarding the use of a technical system to store project data.</p> <p>Responsible Officer: Business Improvement Manager By: March 2022</p>	<p>system is still to be explored for suitability. A temporary process has been in use since Jan 22 utilising Teams channel).</p>
8	<p>Transparency</p> <p>Reference within the methodology for committee reporting on projects was not identified.</p>	<p>Clear process in place to define what project information is reported to members routinely and additionally an escalation process for when project information needs to be reported to members due to its nature to ensure transparency.</p>	<p>This process will be defined in the review of the Project Management Framework in consultation with the CMT.</p> <p>Responsible Officer: Business Improvement Manager By: December 2022</p>	<p>Implemented process</p> <p>It has been agreed with the CEO that regular corporate performance reporting to Members will take place on a quarterly basis. Any project progress reporting will be included in these reports on a 'by exception' basis. (Section 9</p>

REDDITCH BOROUGH COUNCIL

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				Monitoring Project Management Framework)
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