

**INTERNAL AUDIT ANNUAL REPORT AND ANNUAL  
STATEMENT OF ASSURANCE**

Brentwood Borough Council  
2019/20

IDEAS | PEOPLE | TRUST

**BDO**

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# SUMMARY OF 2019/20 WORK

## Internal Audit 2019/20

This report details the work undertaken by internal audit for Brentwood Borough Council and provides an overview of the effectiveness of the controls in place for the full year. The following reports have been issued for this financial year:

- HR Recruitment
- Food Safety
- Trade Waste
- Housing Benefits
- General Data Protection Regulations (GDPR)
- Leisure Strategy
- Treasury Management
- Financial Planning and Monitoring
- Housing Repairs and Maintenance
- Main Financial Systems
- Risk Management and Governance

We have detailed the opinions of each report and key findings on pages five to eleven.

Our internal audit work for the 12 month period from 1 April 2019 to 31 March 2020 was carried out in accordance with the internal audit plan approved by management and the Audit and Scrutiny Committee, with the following exceptions:

- Finalisation of the audits on Housing Repairs and Maintenance and Risk Management was completed in the period April to July 2020, as completion in March 2020 was impacted by the Covid-19 related lockdown
- The audit of the Corporate Plan was deferred to 2020/21, at the request of management, due to the onset of the Covid-19 pandemic in March 2020.

The plan was based upon discussions held with management and was constructed in such a way as to gain a level of assurance on the main financial and management systems reviewed. There were no restrictions placed upon the scope of our audit and our work complied with Public Sector Internal Audit Standards.

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## Head of Internal Audit Opinion

The role of internal audit is to provide an opinion to the Board, through the Audit and Scrutiny Committee, on the adequacy and effectiveness of the internal control system to ensure the achievement of the organisation's objectives in the areas reviewed. The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the organisation's risk management, control and governance processes, within the scope of work undertaken by our firm as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period.

The basis for forming my opinion is as follows:

- An assessment of the design and operation of the underpinning Assurance Framework and supporting processes;
- An assessment of the range of individual opinions arising from risk based audit assignments contained within internal audit risk based plans that have been reported throughout the year;
- This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses; and
- Any reliance that is being placed upon third party assurances.

Overall, we are able to provide moderate assurance that there is a sound system of internal control, designed to meet the Council's objectives and that controls are being applied consistently.

In forming our view we have taken into account that:

- The Council has performed broadly in line with budget regarding financial performance. It has demonstrated sound financial management, as evidenced by our substantial assurance opinion provided on the financial planning and monitoring audit in respect of the design and operational effectiveness of controls. A substantial assurance opinion was also provided on the design of controls within treasury management and moderate assurance opinions were provided in respect of the operating effectiveness of controls in the main accounting systems and treasury management.
- In respect of the design of the controls, substantial assurance was provided in seven out of eleven assurance audits and moderate assurance opinions were provided in four areas. These opinions are an improvement compared with 2018-19 (see page 12).
- In respect of the operational effectiveness of the controls, an opinion of moderate assurance was provided for five of the eleven assurance audits, and substantial assurance was provided in six areas, with no limited assurances. These opinions are an improvement compared with 2018-19 (see page 12).
- Management has responded positively to reports issued and action plans have been developed to address the recommendations raised.
- We have confirmed that 94% of recommendations due for implementation by the date of reporting had been completed, which is a significant increase compared to the prior year.
- Overall, therefore, we are pleased to note an improvement in the control environment compared to last year and while we note on page 14 some themes for further improvement, the Council has done well to enhance controls in a challenging financial environment.

Our annual report and head of internal audit opinion has been prepared based on the audit work undertaken in respect of the financial year ended 31 March 2020.

## REVIEW OF 2019/20 WORK

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
HR Recruitment	0	1	2	Substantial	Substantial	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls put in place by the Human Resources shared service provider in order to provide recruitment services while ensuring compliance with the Council's policies.</p> <p>We concluded that the Council has a sound system of internal controls that are generally being consistently applied. The introduction of new policies and procedures over the last 12 months has resulted in significant improvements in the service and there are well established performance monitoring arrangements for the contract with Thurrock Council.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> <li>Ensuring that all interviewers attend interview training, although we accepted that this may not be necessary for senior officers who have significant experience in recruiting staff.</li> </ul>
Food Safety	0	1	1	Substantial	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place over the inspection of premises and enforcement activities in relation to food safety.</p> <p>We concluded that there is a well-designed control framework in place, however management should address the areas of risk identified from the review to ensure that controls are operationally effectively in all areas.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> <li>Recording the reasons for any delays in inspecting new premises beyond 28 days between registration and inspection (e.g. revised opening date) and actively contacting the premises and record actions taken and</li> </ul>

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						correspondence.
Trade Waste	0	1	1	Moderate	Substantial	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place over the identification of income opportunities, managing contracts with businesses and charging the correct fees for the collection of trade waste.</p> <p>We concluded that, with the exception of promotional activities, there is a well-designed control framework in place and overall controls are being consistently applied.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> <li>Carrying out further promotional activities to advertise the trade waste service to local business within the Council and thereby generate additional income.</li> </ul>
Housing Benefits	0	3	1	Moderate	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place over the processing and payment of housing benefits claims, and checking that housing benefit claims are cancelled in a timely manner where individuals have been set up by the Department for Work and Pensions to receive Universal Credit payment.</p> <p>We concluded that key controls are in place to address risks faced by the service, including managing new claims and amendments. Target timeframes for processing new applications and amendments are in place and are being achieved on average across all new claims or changes in circumstances. However, the control framework needs to be strengthened to ensure that it is suitably designed and operating effectively in all areas.</p> <p>We raised three medium level recommendations:</p> <ul style="list-style-type: none"> <li>Ensuring the all new claims and amendments are processed in a timely manner.</li> <li>Cancelling housing benefit claims more promptly following notification of</li> </ul>

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						<p>Universal Credit.</p> <ul style="list-style-type: none"> <li>Ensuring that more timely debt recovery actions are undertaken in respect of overpayments.</li> </ul>
General Data Protection Regulations	0	0	0	Substantial	Substantial	<p>The purpose of the review was to provide assurance that arrangements are in place to allow all service areas to comply with GDPR, which are applied in practice, and that sufficient training has been completed by all officers.</p> <p>We found that the Council had implemented all the recommendations from the previous GDPR audit and taken all the necessary actions to establish GDPR compliance.</p> <p>Our audit did not identify any key areas where the control framework needs to be strengthened and we identified a number of areas of good practice.</p>
Leisure Strategy	0	2	1	Moderate	Substantial	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place to deliver the Leisure Strategy and underlying action plans.</p> <p>We concluded that overall the control framework in place for the implementation of Leisure Strategy is operationally effective, but management needs to address the areas of risk identified from the review to ensure that it is suitably designed in all areas.</p> <p>We raised two medium level recommendations:</p> <ul style="list-style-type: none"> <li>Monitoring the implementation of the Leisure Strategy more frequently than once a year, such as on a quarterly basis.</li> <li>Ensuring that a contract is entered into with Brentwood Leisure Trust for the management of six community halls beyond 1 May 2019, until a new provider is appointed.</li> </ul>

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
Treasury Management	0	2	1	Substantial	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place in respect of the Council's treasury management activities.</p> <p>We concluded that the control framework in place for treasury management activity ensures compliance with relevant statutory guidance and the Council's approved Treasury Management Strategy, but management should address the areas of risk identified from the review to ensure that controls are operationally effective in all areas.</p> <p>We raised two medium level recommendations:</p> <ul style="list-style-type: none"> <li>Ensuring that there is sufficient evidence that loans have been checked in terms of risks and affordability and that they are all formally approved before they are entered into.</li> <li>Ensuring that the Council's investments procedure is complied with in all instances, including approval of rolled forward investments, and ensuring that there is evidence that investments are checked against the requirements of the Treasury Management Strategy.</li> </ul>
Financial Planning and Monitoring	0	0	1	Substantial	Substantial	<p>The purpose of this audit was to review the adequacy and effectiveness of the Council's budget setting, budget monitoring and medium term financial planning processes, to ensure that the Council is addressing budget gaps in its MTFS and identifying and acting on savings opportunities.</p> <p>Our audit did not identify any key areas where the control framework needs to be strengthened going forward and we identified a number of areas of good practice.</p> <p>We noted that the Council periodically holds Budget Challenge Panel sessions, chaired by the Chief Executive, where managers are questioned over performance and future actions to address budgetary concerns. In previous years, this was done on a quarterly basis but due to the change in Chief</p>

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						Executive and disruptions from the office move during the year, the first budget challenge meetings for 2019/20 were only held in November 2019.
Housing Repairs and Maintenance	0	1	2	Substantial	Moderate	<p>The purpose of the audit was to review the Council's processes for monitoring the housing repairs and maintenance contract with Axis, checking whether SMART key performance indicators have been set and are being reported to senior management, and whether appropriate action is taken where necessary.</p> <p>We concluded that there is an adequate governance structure in place for monitoring the contract with Axis.</p> <p>We observed that the Council has planned maintenance is largely based on the results of specific surveys, which is ensuring that maintenance is focussed predominantly on addressing the highest health and safety risk areas first. Axis is carrying out the full stock condition surveys over a three year period, under its contract with the Council.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> <li>Documenting repairs and maintenance approval limits, including any accepted exceptions to the authorisation limits for voids, and ensuring that all variation orders are appropriately approved and evidenced.</li> </ul>
Main Financial Systems	0	3	7	Moderate	Moderate	<p>The purpose of this review was to provide assurance over the design and effectiveness of the controls in place around the main financial systems, to highlight any areas where the controls could be improved; with cyclical reviews this year on the General Ledger, Accounts Payable, Council Tax income and Business Rates income; as well as review of a limited number of controls in Payroll/Human Resources and Accounts Receivable to cover areas not covered elsewhere or to follow up on previously identified weaknesses.</p> <p>We concluded that overall the Council has a satisfactory system of controls in place over the finance processes included in this review as well as a satisfactory level of operational effectiveness of controls. However, further</p>

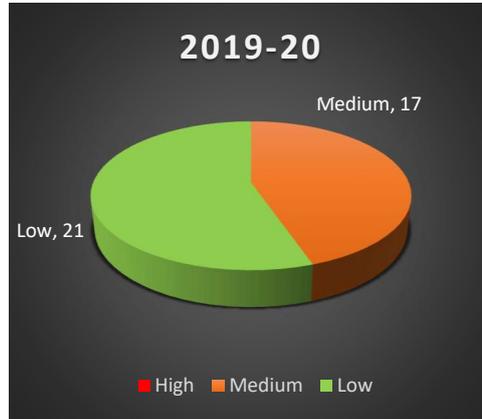
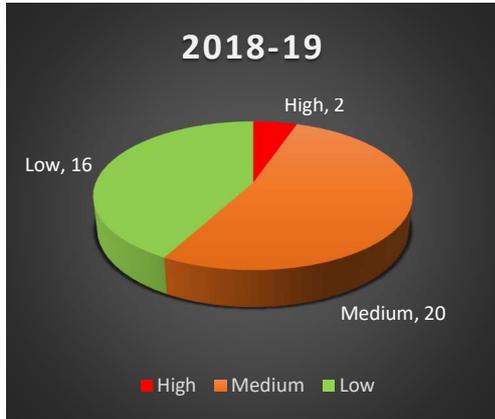
Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						<p>improvements can be made to strengthen controls over some processes and also improve the operational effectiveness of some controls.</p> <p>We have seen a positive direction of travel in respect of the issues that we reported in our 2018/19 audit of the main financial systems in respect of the timeliness of control account reconciliations and the timeliness of invoicing.</p> <p>We raised three medium level recommendations:</p> <ul style="list-style-type: none"> <li>• Review of general ledger user access accounts to ensure that they are all independently approved on set-up, or disabled when no longer required.</li> <li>• Annual confirmation to be obtained from the shared service provider regarding the appropriateness of the users' access rights to the revenues and benefits system.</li> <li>• Ensuring that there is a sound process for evidencing pre-employment vetting checks and approvals before candidates are appointed.</li> </ul>
Risk Management and Governance	0	3	4	Substantial	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place for risk management.</p> <p>It is clear that a great deal of work has been completed with regards to risk management since our last review. The Council has a satisfactory system of risk management and governance in place. However, further improvements can be made to improve processes and the operational effectiveness of some controls and to further embed a risk management culture.</p> <p>We raised three medium level recommendations:</p> <ul style="list-style-type: none"> <li>• Ensuring that all staff complete the mandatory risk management e-learning training, as current completion is below 40%.</li> <li>• Increasing the engagement of staff at all levels across the organisation in risk management through formal risk discussion forums, such as departmental or team meetings.</li> </ul>

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						<ul style="list-style-type: none"> <li>Re-considering the mitigating actions for a few of the very high level risks to ensure that they do not remain at the same level for too long and are appropriately mitigated down to within tolerable levels.</li> </ul>

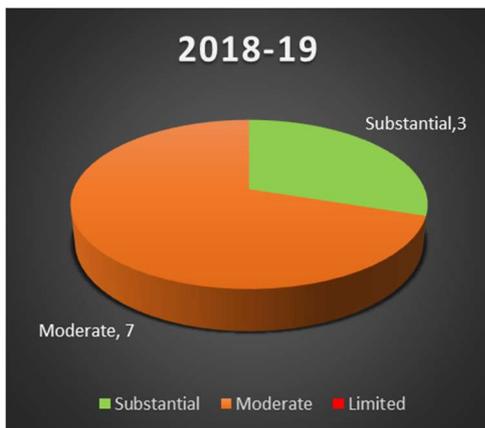
# SUMMARY OF FINDINGS

## RECOMMENDATIONS AND ASSURANCE DASHBOARD

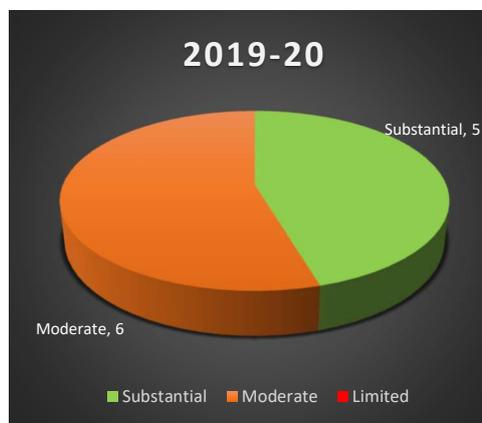
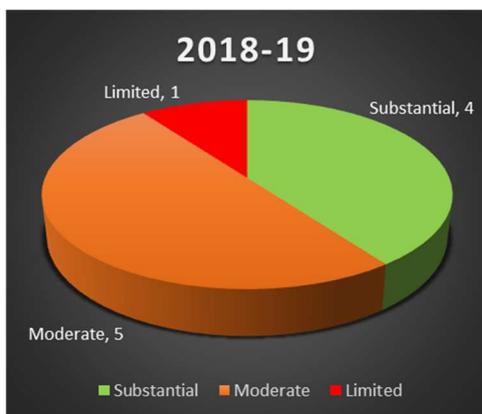
### Recommendations and Significance



### Control Design



### Operational Effectiveness



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## ADDED VALUE



### USE OF SPECIALISTS

We used our IT specialists to deliver the GDPR audit.



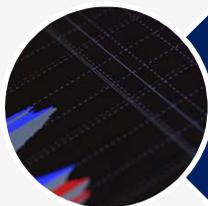
### RESPONSIVENESS

We have been able to be flexible with the plan to respond to emerging risks and concerns, e.g. deferral of the Corporate Plan audit to 2020/21, at the request of management, due to the onset of the Covid-19 pandemic in March 2020.



### BENCHMARKING AND BEST PRACTICE

We have shared best practice examples from our clients and other local government bodies in a number of our reviews, in advising the Council on its draft Counter Fraud Strategy and in carrying out risk management training workshops.



### INNOVATION

We have utilised Microsoft Teams to hold meetings with officers and review data through screen sharing where this was more convenient for Council staff, particularly after the Covid-19 lockdown in March 2020.

# KEY THEMES

## PEOPLE



Clarity of roles and responsibilities was evident in the majority of areas reviewed, although the Risk Management Strategy needs to be updated to reflect current risk management roles.

We found that staff are not always participating or attending required training, e.g. Risk Management and HR Recruitment.

## SYSTEMS & PROCESSES



Whilst in the main we found the control framework to be well-designed, inconsistent application of controls was evident in some areas, e.g. Treasury Management, Housing Benefits and Risk Management.

IT risks are well managed in respect of GDPR. However, our Main Financial Systems audit found weaknesses in respect of review of user access rights to the general ledger and revenues and benefits system.

## POLICES & PROCEDURES



Policies and procedures are generally in place and being complied with, particularly in respect of the Main Financial Systems and Financial Planning and Monitoring.

## GOVERNANCE & FOLLOW UP



Governance and reporting requirements were found to be well defined and understood through our audits of Risk Management, GDPR, Housing Benefits and Food Safety.

Where services are provided by an external shared service or contractor in the areas we reviewed, the Council has a sound governance structure for monitoring the contract, e.g. HR Recruitment, Housing Benefits and Housing Repairs & Maintenance.

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# BACKGROUND TO ANNUAL OPINION

## Introduction

Our role as internal auditors to Brentwood Borough Council is to provide an opinion to the Council, through the Audit and Scrutiny Committee (AC), on the adequacy and effectiveness of the internal control system to ensure the achievement of the organisation's objectives in the areas reviewed. Our approach, as set out in the firm's Internal Audit Manual, is to help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Our internal audit work for the 12 month period from 1 April 2019 to 31 March 2020 was carried out in accordance with the internal audit plan approved by management and the Audit and Scrutiny Committee, adjusted during the year for any emerging risk issues. The plan was based upon discussions held with management and was constructed in such a way as to gain a level of assurance on the main financial and management systems reviewed. There were no restrictions placed upon the scope of our audit and our work complied with Public Sector Internal Audit Standards.

The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the organisation's risk management, control and governance processes, within the scope of work undertaken by our firm as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period.

## Scope and Approach

### Audit Approach

We have reviewed the control policies and procedures employed by Brentwood Borough Council to manage risks in business areas identified by management set out in the 2019-20 Internal Audit Annual Plan approved by the Audit and Scrutiny Committee. This report is made solely in relation to those business areas and risks reviewed in the year and does not relate to any of the other operations of the organisation. Our approach complies with best professional practice, in particular, Public Sector Internal Audit Standards, the Chartered Institute of Internal Auditors' Position Statement on Risk Based Internal Auditing.

We discharge our role, as detailed within the audit planning documents agreed with Brentwood Borough Council management for each review, by:

- Considering the risks that have been identified by management as being associated with the processes under review
- Reviewing the written policies and procedures and holding discussions with management to identify process controls
- Evaluating the risk management activities and controls established by management to address the risks it is seeking to manage
- Performing walkthrough tests to determine whether the expected risk management activities and controls are in place
- Performing compliance tests (where appropriate) to determine that the risk management activities and controls have operated as expected during the period.

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The opinion provided on page 4 of this report is based on historical information and the projection of any information or conclusions contained in our opinion to any future periods is subject to the risk that changes may alter its validity.

### **Reporting Mechanisms and Practices**

Our initial draft reports are sent to the key officer responsible for the area under review in order to gather management responses. In every instance there is an opportunity to discuss the draft report in detail. Therefore, any issues or concerns can be discussed with management before finalisation of the reports.

Our method of operating with the Audit and Scrutiny Committee is to agree reports with management and then present and discuss the matters arising at the Audit and Scrutiny Committee meetings.

### **Management actions on our recommendations**

Management have generally been conscientious in reviewing and commenting on our reports and have responded positively to the report findings. The responses indicate that appropriate steps to implement our recommendations are expected.

### **Recommendations follow-up**

Implementation of recommendations is a key determinant of our annual opinion. If recommendations are not implemented in a timely manner then weaknesses in control and governance frameworks will remain in place. Furthermore, an unwillingness or inability to implement recommendations reflects poorly on management's commitment to the maintenance of a robust control environment.

Significant effort has been made in the year and to the date of this report to implement recommendations and to provide evidence to close long outstanding recommendations.

### **Relationship with external audit**

All our final reports are available to the external auditors through the Audit and Scrutiny Committee papers and are available on request. Our files are also available to external audit should they wish to review working papers to place reliance on the work of internal audit.

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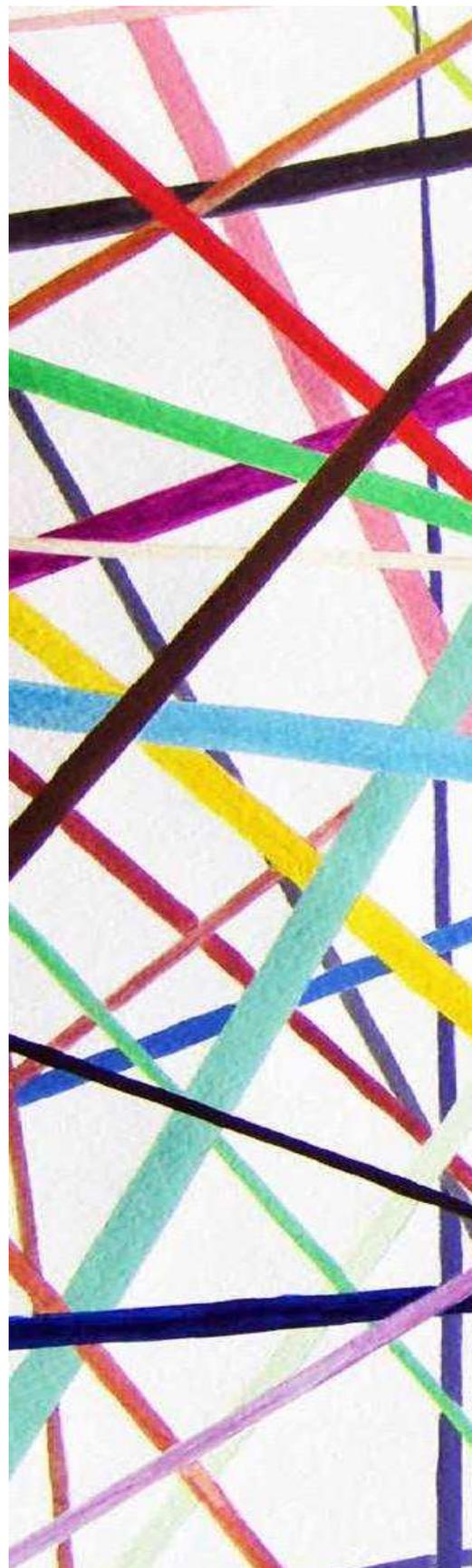
## Report by BDO LLP to Brentwood Borough Council

As the internal auditors of Brentwood Borough Council we are required to provide the Audit and Scrutiny Committee, and the Director with an opinion on the adequacy and effectiveness of risk management, governance and internal control processes, as well as arrangements to promote value for money.

In giving our opinion it should be noted that assurance can never be absolute. The internal audit service provides Brentwood Borough Council with **Moderate Assurance** that there are no major weaknesses in the internal control system for the areas reviewed in 2019-20. Therefore, the statement of assurance is not a guarantee that all aspects of the internal control system are adequate and effective. The statement of assurance should confirm that, based on the evidence of the audits conducted, there are no signs of material weaknesses in the framework of control.

In assessing the level of assurance to be given, we have taken into account:

- All internal audits undertaken by BDO LLP during and in relation to 2019-20
- Any follow-up action taken in respect of audits from previous periods for these audit areas
- Whether any significant recommendations have not been accepted by management and the consequent risks
- The effects of any significant changes in the organisation's objectives or systems
- Matters arising from previous internal audit reports to Brentwood Borough Council
- Any limitations which may have been placed on the scope of internal audit - no restrictions were placed on our work



# KEY PERFORMANCE INDICATORS

Quality Assurance as per the Internal Audit Charter	KPI Results	RAG Rating
1. Annual Audit Plan delivered in line with timetable.	Four audits were deferred, although three were still completed before issue of this annual report.	
2. Actual days are in accordance with Annual Audit Plan.	To date this KPI has been met.	
3. Customer satisfaction reports - overall score at least 70% for surveys issued at the end of each audit.	One survey response relating to 2019/20 received, which scored 100%.	
4. Annual survey to Audit Committee to achieve score of at least 70%.	Survey to be issued in July 2020.	
5. At least 60% input from qualified staff.	This KPI has been met.	
6. Issue of draft report within 3 weeks of fieldwork 'closing' meeting.	This KPI has been missed by a few days for 2 out of 11 audits (see table below).	
7. Finalise internal audit report 1 week after management responses to report are received.	This KPI has been met for 11 out of 11 audits.	
8. Positive result from any external review.	No external audit reviews have been carried out to date.	
9. Audit sponsor to respond to terms of reference within one week of receipt and to draft reports within two weeks of receipt.	The KPI regarding Council agreement of the terms of reference has been missed for 5 out of 11 audits (see table below). The KPI regarding draft reports has been missed for 6 out of 11 audits (see table below).	
10. Audit sponsor to implement audit recommendations within the agreed timeframe.	Of the 17 medium recommendations raised in respect of 2019/20 audits, 7 have been closed, 1 is in progress and 9 are not yet due.	
11. Internal audit to confirm to each meeting of the Audit and Scrutiny Committee whether appropriate co-operation has been provided by management and staff.	We can confirm that management and staff have supported our work and their co-operation has enabled us to carry out our work in line with the terms of reference through access to records, systems and staff as necessary.	

### AUDIT TIMETABLE DETAILS (2019/20 AUDITS)

Audit	Draft TOR issued	Management response to TOR received	Closing meeting	Draft report issued	Management response to draft report received	Final report issued
Risk management	14/7/20	14/7/20 (KPI 9 met)	16/7/20	17/7/20 (KPI 6 met)	17/7/20 (KPI 9 met)	17/7/20 (KPI 7 met)
Main financial systems	17/1/20	20/1/20 (KPI 9 met)	29/5/20	19/6/20 (KPI 6 met)	16/7/20 (KPI 9 not met by 13 days)	17/7/20 (KPI 7 met)
Financial planning and monitoring	19/2/20	25/2/20 (KPI 9 met)	29/5/20	18/6/20 (KPI 6 met)	30/6/20 (KPI 9 met)	6/7/20 (KPI 7 met)
Treasury Management	4/11/19	12/11/19 (KPI 9 not met by 2 days)	13/01/20	30/01/20 (KPI 6 met)	26/2/20 (KPI 9 not met by 13 days)	4/3/20 (KPI 7 met)
Housing benefits	31/7/19	2/8/19 (KPI 9 met)	28/8/19	19/9/19 (KPI 6 not met by 1 day)	7/10/19 and revised on 30/10/19 (KPI 9 not met by 4 days)	30/10/19 (KPI 7 met)
HR recruitment	8/7/19	9/7/19 (KPI 9 met)	25/7/19	8/8/19 (KPI 6 met)	13/9/19 (KPI 9 not met by 22 days)	19/9/19 (KPI 7 met)
GDPR	10/10/19	22/11/19 (KPI 9 not met by 36 days)	9/12/19	13/12/19 (KPI 6 met)	8/1/20 (KPI 9 not met by 12 days, over holiday period)	8/1/20 (KPI 7 met)
Housing repairs and maintenance	18/2/20	27/2/20 (KPI 9 not met by 2 days)	8/7/20	9/7/20 (KPI 6 met)	16/7/20 (KPI 9 met)	17/7/20 (KPI 7 met)
Trade waste	5/8/19	8/8/19 (KPI 9 met)	28/8/19	12/9/19 (KPI 6 met)	23/9/19 (KPI 9 met)	24/9/19 (KPI 7 met)
Leisure services	25/6/19	3/7/19 (KPI 6 not met by 1 day)	26/9/2019 Follow up meeting on 20/11/19	17/12/19 (KPI 6 not met by 6 days)	13/1/20 (KPI 9 not met by 26 days, mainly due to holidays)	13/1/20 (KPI 7 met)
Food safety	8/8/19	16/8/19 (KPI 9 not met by 1 day)	4/9/19	17/9/19 (KPI 6 met)	23/9/19 (KPI 9 met)	23/9/19 (KPI 7 met)

#### KEY FOR RAG RATING:

	= met target		= not met target
	= partly met target		= not applicable

# APPENDIX 1

## OPINION SIGNIFICANCE DEFINITION

Level of Assurance	Design Opinion	Findings from review	Effectiveness Opinion	Findings from review
<b>Substantial</b> 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
<b>Moderate</b> 	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
<b>Limited</b> 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
<b>No</b> 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.



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