

INTERNAL AUDIT PROGRESS REPORT

BRENTWOOD BOROUGH COUNCIL

June 2021

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SUMMARY OF 2020/21 and 2021/22 WORK

Internal Audit

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2020/21 and 2021/22 internal audit plans. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised.

Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Internal Audit Methodology

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report, and are based on us giving either "substantial", "moderate", "limited" or "no". The four assurance levels are designed to ensure that the opinion given does not gravitate to a "satisfactory" or middle band grading. Under any system we are required to make a judgement when making our overall assessment.

For audits with a substantial or moderate assurance opinions, the executive summaries from the final report are included in the Internal Audit Progress Report. For audits with a limited or no assurance opinion, the full report will be included with the papers.

2020/21 Internal Audit Plan

The following reports have been finalised since our last progress report to the Audit and Scrutiny Committee, and the executive summaries are included in this report:

- Risk Management
- Main Financial Systems
- Financial Planning and Monitoring
- Covid-19 related grants
- Licensing.

All 2020/21 reports have now been finalised, with the exception of the Affordable Housing audit which is being carried forward into 2021/22.

Changes to the Plan

We agreed changes to the timings of the four audits below, where officers requested that we postpone the audits to allow the Council to focus only on business critical services during the onset of the Covid-19 pandemic:

- Corporate Strategy - moved from Q1 to Q2 - now complete
- Procurement and Contract Management - moved from Q1 to Q2 - completed in Q4
- Performance Management and Formal Complaints - moved from Q1 to Q2 - now complete
- Affordable Housing - moved from Q3 to Q2 of 2021/22

We also agreed to change the audit plan to address Covid-19 related risks as follows:

- Postpone the Car Parking audit to 2021/22 and carry out an audit on Covid-19 related grants.

2021/22 Internal Audit Plan

Work on the 2021/22 Internal Audit plan has not yet commenced. With the continued impact of the Covid-19 pandemic, officers requested that we postpone the audits planned for the early part of 2021/22.

We are now in the process of agreeing the timing for the audits planned for Q1 and Q2:

- Affordable Housing
- Covid-19 Grants
- Local Development Plan
- IT and Data Security
- Building Control
- Planning.

REVIEW OF 2020/21 WORK

Audit	Exec Lead	Start Date	Planning	Fieldwork	Reporting	Design	Effectiveness	
Risk Management	Jacqui Van Mellaerts	Q4 Jan 2021	✓	✓	✓ Final			
Main Financial Systems	Jacqui Van Mellaerts	Q4 Feb 2021	✓	✓	✓ Final			
Financial Planning and Monitoring	Jacqui Van Mellaerts	Q4 Feb 2021	✓	✓	✓ Final			
Procurement & Contract Management	Jacqui Van Mellaerts	Q2 Aug 2020	✓	✓	✓ Final			
Performance Management & Formal Complaints	Steve Summers	Q2 Sep 2020	✓	✓	✓ Final			
Disaster Recovery & Business Continuity	Jacqui Van Mellaerts	Q3 Oct 2020	✓	✓	✓ Final			
Cyber Security	Jacqui Van Mellaerts	Q3 Dec 2020	✓	✓	✓ Final			
Sickness Absence	Jacqui Van Mellaerts	Q2 Aug 2020	✓	✓	✓ Final			
Fraud Risk Assessment	Jacqui Van Mellaerts	Q2 Sep 2020	✓	✓	✓ Final	N/A	N/A	
Environment - Street Cleaning, Fly Tipping & Enforcement	Greg Campbell	Q3 Oct 2020	✓	✓	✓ Final			
Affordable Housing	Tracey Lilley	Q1 of 2021	-----Postponed to 2021/22-----					
Covid-19 Related Grants	Jacqui Van Mellaerts	Q2 Sep 2020	✓	✓	✓ Final			
Licensing	Greg Campbell	Q3 Dec 2020	✓	✓	✓ Provisional*			
Corporate Strategy	Jonathan Stephenson	Q2 Aug 2020	✓	✓	✓ Final			
Follow Up	Jacqui Van Mellaerts	Ongoing	-----Separate follow up report-----					

* Subject to agreement of due dates for recommendations

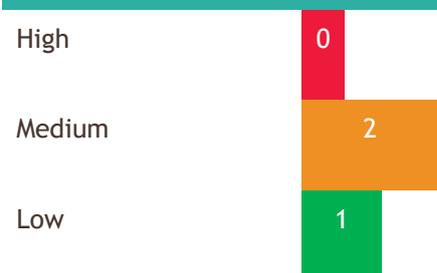
EXECUTIVE SUMMARY – RISK MANAGEMENT

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Moderate	Evidence of noncompliance with some controls, that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS:



TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

Risk management is the process of identifying and mitigating risks to the achievement of Council objectives.

The “Three lines of defence” model for risk management was created following the global financial crisis, to provide a cohesive and coordinated approach to risk and assurance by organising essential roles and duties into the following three levels or lines of defence:

- First line of defence: Day to day risk management and internal controls
- Second line of defence: Risk control and compliance oversight functions by management
- Third line of defence: Independent assurance, including internal audit reviews.

The model has become a generally accepted industry framework for managing risk at the strategic, tactical and operational levels.

The Council’s strategic and operational risk registers are held on Microsoft SharePoint and the Risk and Insurance Officer within the Financial Services team facilitates the maintenance of these registers, develops the Council’s approach and guides staff in its implementation.

The Council has a Risk Management Strategy, which includes a risk appetite statement and risk tolerance levels that define the frequency of review required for different levels of risk.

The Audit and Scrutiny Committee is charged with monitoring the effective development and operation of risk management and corporate governance in the Council.

The Council's arrangements for risk management were last audited in June 2020, which resulted in a Substantial rating in respect of the design of processes and a Moderate rating in respect of the operational effectiveness of controls.

Our audit in 2020/21 has followed up on the three medium priority recommendations raised in the last audit. We have also focussed on processes for identification of risks to the achievement of corporate objectives and the mapping of controls and assurances to mitigate risks, considering whether effective use is made of the three lines of defence.

GOOD PRACTICE:

We identified the following good practice areas from our audit:

- The Council has a Risk Management Strategy that was updated during the year and approved by the Audit and Scrutiny Committee in November 2020; it includes the overall process for risk management and the Council's risk appetite, and is easily accessible to all staff
- The Council has recently set up a Senior Leadership Team (SLT) Risk Working Group, which met twice during 2020/21, to discuss strategic and very high operational risks and this facilitates consideration of risks in the context of the Council's corporate objectives
- Updates on strategic and high operational risks are presented to each meeting of the Audit and Scrutiny Committee
- The Council's Risk and Insurance Officer regularly reminds risk owners to monitor, review and update their strategic and operational risks
- The Risk and Insurance Officer has proposed a new format for the risk register going forward, which includes clear prompts for risk owners to describe the cause, uncertain event (the risk) and the consequence of each issue, as well as provide detailed updates on mitigating actions taken.

KEY FINDINGS:

We identified the following key areas where the control framework needs to be strengthened:

- Risk Management training compliance still remains low, at 40% completion rate, amongst staff and members (Finding 1 - Medium)
- Documentation of risks and updates lacking detail in some instances for very high and high operational risks and the effectiveness of mitigating actions in doubt where risk scores have not changed the whole year (Finding 3 - Medium)

CONCLUSION:

Overall, we provide substantial assurance on design and moderate assurance on the effectiveness of the key controls.

Whilst the assurance rating remains the same as the previous review undertaken in July 2020, there have been improvements to the control framework and action taken towards addressing previous recommendations. We have noted a number of areas of good practice in the Council's risk management arrangements.

We have raised two medium priority recommendations to improve completion rates on risk management training and to improve the effectiveness of mitigating actions in ensuring that they reduce risk scores to within tolerable levels.

We have also raised one low priority recommendation and an observation that the Council may benefit from considering its control measures in the context of the three lines of defence model in detecting and managing risks.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>RMG rec 1: Risk management training</p> <p>The Council should review the risk management e-learning training completion listing to identify those staff and members who are more closely involved in risk management based on their roles, and ensure that the mandatory online training is at least completed by those individuals where not already done.</p>	Medium	Agreed, recommendation can be carried out and more targeted training will be a useful approach.	<p>Sue White (Risk & Insurance Officer) December 2021</p>
<p>RMG rec 2: Documentation of risks, updates and mitigating actions</p> <p>a) The Risk and Insurance Officer should monitor the use of the new format risk register to ensure that all risks are adequately defined and that updates against each risk are sufficiently detailed, with justifications provided for scores that have not changed (as well as those that have changed).</p> <p>b) Where risk scores have remained at very high or high for several months, officers should consider and challenge the effectiveness of the mitigating actions put in place.</p>	Medium	<p>Agreed.</p> <p>Risk working group now meets on a bi-monthly basis, which reports to Senior Leadership Team. Agreed that officers will continue to challenge, using this process.</p>	<p>Sue White (Risk & Insurance Officer) December 2021</p> <p>Jacqueline Van Mellaerts (Director of Corporate Resources) December 2021</p>

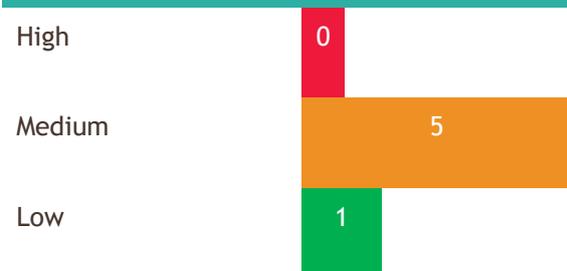
EXECUTIVE SUMMARY – MAIN FINANCIAL SYSTEMS

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Moderate	Generally a sound system of internal control designed to achieve system objectives with some exceptions.
Effectiveness	Moderate	Evidence of non-compliance with some controls that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS:



TOTAL NUMBER OF RECOMMENDATIONS: 6

BACKGROUND:

The Council is required to have sound controls in place in its financial systems, in order to prevent and detect error and fraud. The central finance team, led by the Director of Corporate Resources and the Corporate Finance Manager, is responsible for the financial management controls and processes, including shared service arrangements and external payroll processing. The finance team also provides leadership on good financial practice to the services across the Council and has an overseeing role to ensure procedures are correctly followed.

Up to 31 March 2020, all of the Council's payroll and HR functions were managed through a contract with Thurrock Council. Part of the HR function was brought back in house from 1 April 2020. Thurrock Council continues to provide the Council with a front line/HUB service for general HR queries, processing internal changes and receiving/filing documents. Payroll has been transferred to a new payroll provider, Braintree District Council, from 1 April 2021.

As part of the government's approach to help local authorities address the spending and income pressures arising from the Covid-19 crisis, additional grant funding is provided to local authorities based on monthly returns that are submitted to the Ministry of Housing, Communities and Local Government (MHCLG). The Council set up separate general ledger cost centres to record this information, which is used in preparing the monthly returns.

Each year the audit of the main financial systems covers the General Ledger, including reconciliations for system interfaces and journals. This year our audit included a review of the processes for the monthly Covid-19 returns.

Cyclical reviews are carried out on the other main financial systems. Last year we covered Council Tax, National Non-Domestic Rates and Accounts Payable. This year focused on Accounts Receivables (including housing rent arrears) and Payroll. In addition, we reviewed controls where weaknesses were identified in the prior year HR recruitment audit and the Treasury Management audit.

GOOD PRACTICE:

We identified the following good practice areas from our fieldwork and sample testing:

- Journals are being correctly processed and authorised, with adequate supporting documentation, and segregation of duties is maintained between creating and approving journals.
- There is adequate segregation of duties between preparer and approver of monthly control account reconciliations.
- There are procedures for separately recording specific covid-19 related transactions in the general ledger, for use in preparing the monthly returns to MHCLG. The returns are approved by the finance manager and the section 151 officer, with the process becoming more formalised in the latter part of the year.
- Of the three debts written off by the Council from April 2020 to February 2021, all were adequately justified and approved, following required recovery attempts in accordance with the Council's 'Debt Recovery and Write Off Policy'.
- Processes for new starters, including vetting and pre-employment checks (such as occupational health checks and obtaining two references) and approval of starter forms, are operating effectively and new employees are being added to the payroll from the correct date.
- Leavers are being removed from the payroll on the correct date and after approval of leaver forms.
- Payroll amendments are supported by backing documentation and amendment forms approved by the S151 officer.
- Processes for approval of treasury investments and compliance with the Council's Treasury Management Strategy are operating effectively.

KEY FINDINGS:

We identified the following areas where the control framework needs to be strengthened:

- There are unreconciled items on the housing rent control account for the months tested (November 2020 to January 2021) (Finding 1 - Medium).
- New client accounts are self-approved by the staff member setting them up and our testing identified four instances (out of a sample of 20) where client accounts were set up without adequate supporting documentation, meaning that the basis for the creation of the account was not clear (Finding 3 - Medium).
- There is no limit on the value of client invoices that can be raised and self-approved; our testing identified eight instances (out of a sample of 20) where invoices were raised one month or more after providing the service; and there was no or insufficient backing documentation for six (out of the sample of 20) invoices tested (Finding 4 - Medium).
- The Council's 'Debt recovery and write off policy' needs to be reviewed and updated where necessary; our testing found nine instances (out of a sample of 15) where actions were not taken in line with the time frames stipulated within the policy (Finding 5 - Medium).
- Evidence to support management approval for a £10 million PWLB loan taken out during the year (out of a sample of 3 tested) could not be located (Finding 6 - Medium).

CONCLUSION:

Our audit has found a number of good practices and effective controls within the Council’s main financial systems, despite the impact of Covid-19. These include posting of journals; processing of new starters, leavers and payroll amendments; and approval of treasury investments.

However, there is scope for improvement in the design of controls in respect of the set-up of new client accounts, the approval of invoices raised, and the debt recovery policy. Improvements can also be made in the effectiveness of controls in respect of housing rent control account reconciliations, raising invoices, debt recovery action and evidence for approval of borrowings.

We have therefore provided a moderate assurance over both the control design and operational effectiveness. We have raised five medium priority and one low priority recommendations.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>MFS rec 1: Unreconciled items on housing rent control account</p> <p>Officers preparing and approving the housing rent control account reconciliation should ensure that unreconciled items are carefully reviewed and resolved on a monthly basis.</p>	Medium	<p>The balances on these accounts are the amounts that need to be journalled for that month to bring the reconciliation back to zero. Demonstrating that a reconciliation has taken place, there are reconciling items that need to be rectified. However, once the items are journalled, the reconciliation can be refreshed to demonstrate the journal has ensured the reconciliation has reverted to zero. However, officers do ensure the unreconciled items are reviewed as these items relate to the journal and the journal resolves them.</p>	<p>Connie Wallis (Senior accountant) June 2021</p>
<p>MFS rec 3: Creation of client accounts</p> <p>Officers should review the Council’s policies and guidance for the creation of new client accounts and consider including a requirement for independent review and approval within departments, as well as further guidelines for the retention of supporting documentation.</p>	Medium	<p>Adding a layer of authorisation to customer account could cause further delays in invoicing new customers due to the small teams that operate. As the creation of customers and invoices are done departmentally and not centrally, this could have a knock-on effect with collection of income within a timely manner, therefore unless the process was taken centrally, the</p>	<p>Alex Webber (Systems Accountant) July 2021</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
		<p>recommendation would not be advantageous to the Council. On the point of retention of supporting documentation of new customers, this can be communicated to all departments to remind them of the responsibility of holding this information.</p>	
<p>MFS rec 4: Raising client invoices</p> <p>a) Officers should consider implementing a policy whereby invoices over a certain value are required to be independently reviewed.</p> <p>b) Backing documentation for invoices raised should be stored in a centralised folder so that it can be easily accessed.</p> <p>c) Staff should be reminded to raise invoices within a reasonable period after the provision of goods or services, ideally within a set number of days.</p>	<p>Medium</p>	<p>a) Invoice limits can be added, although this would prevent officers from raising invoices over a certain limit. This would require certain users to go in and authorise invoice batches, which can in turn delay income and the timely raising of invoices, due to the size of the teams that currently raise the invoices.</p> <p>b) This could prove difficult as we have private information that finance holds in a centralised area, where we would expect officers to save the information. Again, we are happy to remind officers to save the supporting documentation when raising invoices.</p> <p>c) A reminder will be sent to invoice raisers to remind them of the correct time frames for when they need to raise invoices.</p>	<p>Alex Webber (Systems Accountant) July 2021</p>
<p>MFS rec 5: Debt recovery policy and procedures</p> <p>a) The debt recovery and write off policy should be reviewed and management should consider amending the due dates if current dates are not considered realistic in the current climate.</p>	<p>Medium</p>	<p>a) Policy to be reviewed and updated.</p>	<p>a) Alex Webber (Systems accountant) To be reviewed by Phoebe Barnes August 2021</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>b) Staff should be reminded to take recovery actions in line with the policy.</p>		<p>b) Refresher to officers regarding corporate debt recovery will be conducted. This will be done via 1-2-1s with staff.</p>	<p>b) Alex Webber (Systems accountant) November 2021</p>
<p>MFS rec 6: Borrowing approvals</p> <p>Officers should be reminded that approvals of borrowing should be documented and the evidence of approval retained.</p>	<p>Medium</p>	<p>The undocumented borrowing was in conjunction with taking out borrowing before the PWLB changes came into effect last November. The perceived need at the time was to submit a borrowing request before the changes came into effect. The officer received verbal approval from the S151 officer and due to remote working challenges and the time constraints, the officer acted on the verbal approval. A follow up confirming this approval could have been actioned through email. For Treasury Management investments and borrowing and refinancing the deals are now followed up with formal approval through emails.</p>	<p>Alistair Greer (Principal Accountant) With immediate effect</p>

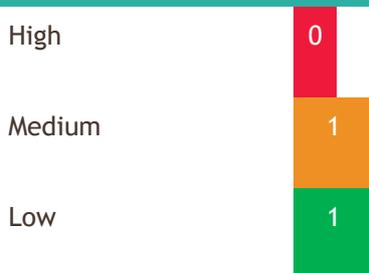
EXECUTIVE SUMMARY – FINANCIAL PLANNING AND MONITORING

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Substantial	The controls that are in place are being consistently applied.

SUMMARY OF RECOMMENDATIONS:



TOTAL NUMBER OF RECOMMENDATIONS: 2

BACKGROUND:

The Council’s 2020/21 budget and Medium Term Financial Strategy (MTFS) to 2022/23 were approved at the Ordinary Council meeting in March 2020. Whilst the budget for the year was balanced by various means, the MTFS reported a deficit in future years rising to £361,000 in 2021/22 and £723,000 in 2022/23. Officers reported that they were looking at ways to ensure the Council maximises its income potential.

Continued significant reduction in Government Funding and the pressures of the Covid-19 pandemic has resulted in a forecast deficit of £361,000 for 2020/21.

In February 2021, the Policy, Resources and Economic Development (PRED) Committee considered the proposals for the 2021/22 budget and MTFS to 2023/24 and these were approved at Ordinary Council in March 2021.

The most recent MTFS reports a balanced budget for 2021/22 budget and surpluses for the years to 2023/24.

The Council’s annual budget setting process addresses budget gaps primarily through:

- Generating income through commercial activity and seeking to embed commercial thinking throughout the organisation;
- The ongoing review and redesign of services; and
- A focus on supporting inward economic investment.

The Council uses eFinancial for its General Ledger, and Collaborative Planning software for financial planning, budgeting and forecasting. Budget Managers and Link Accountants have access to the Collaborative Planning application and use this as part of the regular budget monitoring process.

Officers periodically hold Budget Challenge Panel sessions, chaired by the Chief Executive, where managers are questioned over performance and future actions to address budgetary concerns. We are informed that these sessions were conducted on an informal basis during 2020/21, due to challenges arising from the Covid-19 pandemic.

Budget monitoring reports are periodically presented to the PRED Committee to inform members of the Council's financial performance against budget and proposed outturn for the financial year.

Our audit of financial planning and monitoring in the prior year included a review of the budget setting process for 2020/21, therefore this year's audit has focussed on the arrangements during 2020/21 for setting the 2021/22 budget and budget monitoring arrangements in the year.

GOOD PRACTICE:

We identified the following good practice areas from our fieldwork:

- Managers' Guidelines for budget setting 2021/22 - 2022/23 are in place. The document includes a detailed process for staff to follow, covering areas such as the MTFS, the budget setting timetable and processes to be followed by Managers. An appendix is included within the document which includes expected outcomes and deadlines.
- Proposed establishments are emailed to Budget Managers at the beginning of the budget setting process with all the necessary information required for the budget setting process and requirements.
- We reviewed a sample of five budgets (Revenues and Benefits; Legal Services; Environmental Health Managed Services; CCTV and Digital Services; and ICT and Transformation) and confirmed that regular discussions were held between Budget Managers and Link Accountants to monitor the budgets for 2020/21, and set the budgets for 2021/22.
- Excel spreadsheets are maintained by Link Accountants for their respective budget area and include the budget setting timetable and actions/notes from their discussions with Link Accountants during the year.
- Updates are provided to the PRED committee on a quarterly basis.
- Assumptions underpinning the MTFS are well documented within the Council's General Fund Budget 2021/22, including the expected impacts of Covid-19.

KEY FINDINGS:

Our audit did not identify any key areas where the control framework needs to be strengthened.

We have raised one low priority recommendation as reporting to SLT and PRED was not always in line with the Council's pre-set timetable for the year.

We also noted that Budget Challenge Panel sessions, which in previous years were chaired by the Chief Executive and were an example of good practice, were carried out on an informal basis during 2020/21, due to challenges arising from the Covid-19 pandemic. These are expected to return to formal arrangements going forward.

CONCLUSION:

The Council has a satisfactory system for setting budgets and monitoring financial performance, which is operating effectively. The Council is forecasting a deficit for 2020/21, however this is due to the impacts of Covid-19 which have not been fully covered by additional government funding.

Overall, we provide substantial assurance on design and substantial assurance on the effectiveness of the key controls.

EXECUTIVE SUMMARY – COVID-19 RELATED GRANTS

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Substantial	The controls that are in place are being consistently applied.

SUMMARY OF RECOMMENDATIONS:

High	0
Medium	0
Low	0

TOTAL NUMBER OF RECOMMENDATIONS: 0

BACKGROUND:

In response to Covid-19 near the start of the pandemic, the UK Government promised to support small businesses, including businesses which are in the retail, hospitality and leisure sectors. The funding itself was in the form of three grant funding schemes:

- Small Business Grant Fund (SBGF)
- Retail, Hospitality and Leisure Grant Fund (RHLG)
- Local Authority Discretionary Grant Fund (LADGF).

Central Government provided funding to local authorities who are responsible for business rates billing. The support scheme was delivered by each local authority individually, who were then responsible for making payments to eligible businesses.

Under the SBGF, all eligible businesses in England in receipt of either Small Business Rates Relief (SBRR) or Rural Rates Relief (RRR) were eligible for a £10,000 relief payment.

Under the RHLG, eligible businesses in receipt of the Expanded Retail Discount with a rateable value of less than £51,000 were eligible for a grant of £10,000 or £25,000 per property, which depended on the exact rateable value.

If the rateable value of the business was up to and including £15,000, they were eligible for a grant of £10,000. If the rateable value exceeded £15,000 but was under £51,000, then they were eligible for a £25,000 grant payment. Businesses with a rateable value over £51,000 were not

eligible for the scheme, in addition to businesses that were not ratepayers in the business rates system.

There were several exclusions in relation to the grant funding. These included:

- Businesses were unable to claim for the SBGF if the property was occupied for personal uses, car parks/parking spaces or if the business as of 11 March 2020 was in liquidation or dissolved.
- Similarly to SBGF, businesses could not claim for RHLG for the same reasons, including if the rateable value exceeded £51,000.
- Eligible recipients could only receive one grant per property. Recipients were unable to claim both SBGF and RHLG on a single property.

The grant payment itself was made to the liable person if the ratepayer was another organisation such as the landlord, using details as at 11 March 2020. Where information about a ratepayer was deemed to be inaccurate, councils could withhold or recover funds paid and identify the correct ratepayer, using the help of landlords or managing agents.

Small and micro businesses with fixed property costs that were not eligible for the SBGF or the RHLG, may have been eligible for the LADGF. Under this fund, businesses received a grant of £25,000, £10,000 or any amount under £10,000. Businesses may have been eligible if they were based in England; had relatively high ongoing fixed property-related costs; occupied property (or part of a property) with a rateable value or annual mortgage/rent payments below £51,000; and were trading on 11 March 2020. The award of this grant was at the discretion of councils.

In terms of managing the risk of fraud, any businesses caught making fraudulent grant applications by falsifying their records to gain additional grant money will be subject to prosecution, with efforts made to claw back any grant funds paid.

Some councils took a prudent approach by carrying out stringent due diligence on grant applications (which resulted in some delays in getting businesses paid) before making payments. At one Council BDO undertook the review of over 2500 applications in order to assist in the distribution of over £35m funding. Other councils took the approach of making a payment first and then carrying out retrospective due diligence to identify and claw back any money paid out fraudulently or in error.

For Brentwood Borough Council ('the Council'), the schemes were administered by the revenues and benefits shared service at Basildon Borough Council ('Basildon'). Applications for the grants were received via an external provider, on forms designed by Basildon. For SBGF and RHLG applications, Basildon carried out eligibility checks before making payments through the Civica system. For the LADGF, payments were made by the Council at the discretion of the section 151 officer.

WORK CARRIED OUT:

Whilst Basildon's Revenue and Benefits department carried out various checks on the applications that were received before making payments, we have independently carried out our own checks in order to assess the effectiveness of Basildon's controls.

We tested a sample of 29 grant payments, across SBGF, RHLG and LADGF.

Our audit focussed on comparing the business name and address on the application form to Civica, Companies House, Experian and Charity's Commission (where applicable) and verifying mismatches.

We also checked that payments agreed to bank account details on the application forms. We could not verify bank account details to Civica as this information is not held in the system.

In addition, we confirmed the applicant's eligibility based on the Government's guidance for each grant type, to ensure that the correct amount of grant was awarded.

KEY FINDINGS:

Our audit did not identify any exceptions and therefore we are satisfied that the Council had adequate and effective processes in place for awarding grants in relation to the SBGF, RHLG and LADGF, to ensure that funds were only paid to eligible businesses.

We have not raised any recommendations.

CONCLUSION:

We provide substantial assurance on both the design and effectiveness of the key controls operated by Basildon's Revenues and Benefits section in awarding these grants, as our independent checks have not identified any exceptions.

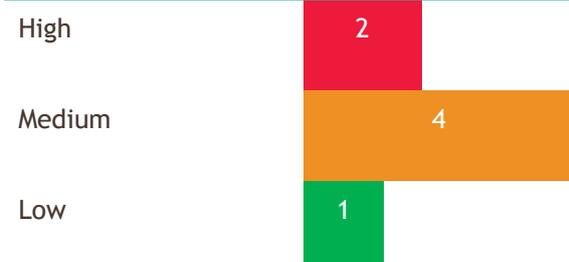
EXECUTIVE SUMMARY – LICENSING

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Moderate	Generally a sound system of internal control designed to achieve system objectives with some exceptions.
Effectiveness	Limited	Non-compliance with key procedures and controls places the system objectives at risk.

SUMMARY OF RECOMMENDATIONS:



TOTAL NUMBER OF RECOMMENDATIONS: 6

BACKGROUND:

The Licensing Team is jointly managed by two Licensing Managers who oversee a joint service between Brentwood Borough Council and Thurrock Council, which includes Licensing and Environmental Health. The licensing function deals with applications for, and enforcement of, licences including in respect of:

- Alcohol, entertainment and late night refreshments
- Animal welfare
- Gambling and lotteries
- Taxis and minicabs
- Street trading.

The Licensing Act 2003 directs the way licenced premises are regulated. In accordance with requirements of the Act, the Council has published a Statement of Licensing policy, which identifies how the Council ensures promotion of the following objectives of licensing:

- The prevention of crime and disorder
- Public safety

-
- The prevention of public nuisance
 - The protection of children from harm.

In addition, the Council has a Taxi Licensing Policy and a Gambling Act Policy in place. All licenses are processed using the 'Uniform' system and approvals are made by Licensing Officers unless an application could be refused (e.g. a taxi license application where the applicant has a relevant conviction), in which case the approval of the Licensing Committee is required. Any relevant documentation and supporting evidence is uploaded to 'DMS'.

We reviewed a sample of 24 different types of licence applications (including new applications, renewals, and transfers) to check whether the correct checks were carried out and the processing and issuing of licences were timely.

We also reviewed the policies and guidance documentation in place for different licence types, the adequacy of staff training within the Licensing Team, and the adequacy of licensing enforcement processes including sample testing of complaints processing.

GOOD PRACTICE:

We identified the following good practice areas from our fieldwork:

- The Council has a Licensing Public Access Register which can be accessed online and is linked to the Uniform system used to process licenses, therefore information can be accessed by the public in real time
- All licences receive the appropriate approval, including approval by the Licensing Committee for licences falling outside of policy requirements.

KEY FINDINGS:

We identified the following key areas where the control framework needs to be strengthened:

- Licences are not always issued appropriately in line with the Council's policies and procedures. We identified cases where licences were issued without appropriate checks being carried out, information not always recorded clearly on the Uniform system, licences issued prior to expiry of consultation periods, and an application form which is not up to date, reflecting the current requirements - **Finding 1 - High**
- Supporting documentation for applications (such as DBS checks) was not available in some cases, as well as supporting documentation of checks carried out by the Council, such as premises inspections - **Finding 2 - High**
- We reviewed all policies and guidance documentation including Statement of Gambling Policy, Statement of Licensing Policy, Taxi Licensing guidance (Licensing of Hackney Carriage & Private Hire Vehicle Drivers - Policy Statement Regarding the relevance of convictions), and the Street Trading and Market Policy and found that they were all overdue for review. The Taxi Licensing guidance has just been reviewed for the first time since 2002 - **Finding 3 - Medium**
- A fee within our testing sample was incorrectly charged, based on the previous year's agreed fees which was £50 lower - **Finding 4 Medium**
- Some complaints did not have evidence of acknowledgement letters being sent to complainants, and actions and outcomes were not always recorded on Uniform - **Finding 5 - Medium**
- The processing of applications is not always timely - **Finding 6 - Medium.**

CONCLUSION:

We have raised 2 high level findings relating to appropriate checks not always being carried out, and supporting documentation not being available. We also raised four medium level findings relating to policies being overdue for review, an incorrect fee charge, processing of licences not being timely, and insufficient recording of complaints correspondence, actions and outcomes. We have therefore concluded on a moderate level of assurance with regards to control design, and a limited level of assurance over the effectiveness of controls.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
LIC rec 1: Licences not issued in line with requirements	High		
1. 1. Licensing Act		1.1. Licensing Act	Paul Adams (Licensing Manager)
a) The Council should not process a licence application once 10 working days have lapsed, if the applicant has not published the application in the local newspaper as they are legally required to.		a) The only thing we can do is pause the processing of the licence until the applicant does advertise the application in the local paper, and then extend the consultation period to ensure there is a full 28 days.	Immediately
b) The Council should save a record of the publishing of licence applications on the Council's website one day after receiving the applications and upload this to idocs for a record, as this information is removed following the 28 day consultation period.		b) Agreed. We will need to discuss with web team how we can keep this information visible, or possibly save a screenshot, but this may not show the date as this information is removed after a certain time period.	1 December 2021
c) Within the 'Consultations' tab on the Uniform system, it should be clearly stated whether the Home Office and Police have objected to an application rather than noting they have 'replied', the date of response should also be recorded, and the evidence of responses should be uploaded to idocs.	c) Agreed.	Immediately	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>d) Staff should be reminded that the consultation period end date should always be recorded on the Uniform system; this should be made a mandatory field if possible. Licenses should not be granted until the end date of the consultation period.</p>		<p>d) Consultation period date should be default set by the system. Need to review and update the configuration of the system. If an email is not sent through Uniform, a date needs to be entered manually. We will ensure emails are sent from the system.</p>	<p>1 December 2021</p>
<p>1.2. Animal Welfare</p> <p>Inspection dates should be recorded accurately on the Uniform system to reflect the date on the hard copy form (Risk Assessment), which should be the date the inspection/risk assessment was carried out.</p>		<p>1.2. Animal Welfare</p> <p>Agreed.</p>	<p>Immediately</p>
<p>1.3. Public and Private Hire Taxi</p> <p>Public and Private Hire Taxi licenses should not be issued without carrying out compliance checks. Where this was not possible (for example during the pandemic lockdown), these cases should be identified and carried out retrospectively, and licenses withdrawn where requirements are not met.</p>		<p>1.3. Public and Private Hire Taxi</p> <p>Taxi Licenses will be suspended if applicants do not attend retrospective inspections which are now being carried out by an external company. The impact of COVID and the use of the Council's internal Fleet workshop did reduce the ability to test continuously through the pandemic.</p>	<p>Immediately</p>
<p>1.4. Private Hire Operator</p> <p>a) Application fee amounts paid should be recorded on the Uniform system, which should reflect the amount stated on the online application form.</p> <p>b) The letter sent to request references should be updated to state that the referees must not be a relative and must be known to the applicant for minimum of 2</p>		<p>1.4. Private Hire</p> <p>a) Agreed.</p> <p>b) Agree, however, DfT have published national standards now and an updated policy has been taken to Licensing</p>	<p>Immediately</p> <p>30 July 2021</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date	
<p>years. Where these criteria are not met, the Council should not issue a licence, or the Council should follow up with the applicant to obtain appropriate references which meet this criteria, before issuing a licence.</p> <p>c) Applicants who do not meet the Council's criteria for a Private Hire Operator Licence who are subsequently referred to the Licensing sub-committee for a decision, should not be referred prior to a DBS check being completed and the outcome being received, which should be provided to the Licensing sub-committee so that an informed decision can be made.</p> <p>d) The 'Street Trading Licence or to renew an existing Street Trading Licence' form should be reviewed and updated to:</p> <ul style="list-style-type: none"> • remove the request to attach a DBS within the checklist as this is no longer required • include a disclosure section as per policy which states this information is required. 	High	<p>Committee and this is more clearly defined within policy.</p> <p>c) Agree.</p> <p>d) Committee forward workplan includes revision of policy and form.</p>	<p>Immediately</p> <p>31 January 2022</p>	
<p>LIC rec 2: Licensing decisions not always supported by documentation</p> <p>2.1. Licensing Act</p> <p>a) All premises should be inspected for the display of the public notice and photographic evidence should be uploaded on idocs, with the date recorded on Uniform.</p> <p>b) Evidence of either a DBS certificate or an email from Personnel Services confirming a DBS check has been carried out should be uploaded to the idocs system.</p>		High	<p>2.1. Licensing Act</p> <p>a) Agreed.</p> <p>b) Don't keep all DBS due to GDPR, unless there are relevant convictions. Would record date and 'satisfactory' if no issues.</p>	<p>Paul Adams (Licensing Manager) All due dates TBC</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>c) Licenses should not be issued by the Council if either of the above have not been completed/obtained.</p>		<p>c) Agreed.</p>	
<p>2.2. Public and Private Hire Taxi</p>		<p>2.2. Public and Private Hire Taxi</p>	
<p>a) All applications should be uploaded to the Uniform system; if there is an identified issue with applications being received into the licensing inbox from the DASH system, this should be investigated with the system provider to resolve the issue and avoid delays in receiving applications.</p>		<p>a) Agreed.</p>	
<p>b) All applicants should provide the following to be uploaded to idocs (and licences should not be issued unless received):</p> <ul style="list-style-type: none"> • Vehicle Registration Document with the 'selling or transferring my vehicle to a new keeper' section completed • Bill of sale or receipt of the car with the applicants name on it • Valid MOT certificate - or clarification as to whether an online check via https://www.gov.uk/check-mot-history is adequate and noting the expiry date details, so that there are not inconsistencies in the process • Evidence of insurance. 		<p>b) Vehicle Reg and Bill of sale would not be required for renewals as would have previously received these. MOT screenshot can be captured and attached on system if paper copy not provided. Evidence of insurance should be attached on system.</p>	
<p>c) All licences issued should be uploaded on idocs system.</p>		<p>c) Agreed.</p>	
<p>2.3. Combined Licence (Driver)</p>		<p>2.3. Combined Licence (Driver)</p>	
<p>a) Evidence of completing a knowledge test should be uploaded to idocs and the date recorded on Uniform.</p>		<p>a) TBC - will need to confirm whether feasible. Evidence is held on a separate database.</p>	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>b) Group 2 Medical forms should be uploaded on idocs.</p> <p>c) Evidence of either a DBS certificate or an email from Personnel Services confirming a DBS check has been carried out, should be uploaded to the idocs system.</p> <p>d) Licences including renewals should not be issued without checking that there is evidence of the above received or on Uniform from previous applications.</p> <p>2.4. Street Trading</p> <p>Licences for food traders should not be issued for new applications or renewals without confirming that evidence of the below has been received by the Council (and is still valid), as per the Street Trading and Market Policy:</p> <ul style="list-style-type: none"> • A Basic Food Hygiene Certificate • Food hygiene training • Food Registration Certificate. <p>The Licensing Team should therefore carry out retrospective checks on the existing Street Trading Licence holder to ensure the above is in place.</p>	<p style="text-align: center;">Medium</p>	<p>There is a 'check' date on Uniform which is the pass date.</p> <p>b) Agreed.</p> <p>c) All DBS checks should be via Personnel Services - we now don't accept DBS certificates. Will look into this case as Personnel Services should have been in place.</p> <p>d) Agreed.</p> <p>2.4. Street Trading</p> <p>Agreed, will carry out retrospective checks on this licence holder. This individual was granted the licence prior to the policy being in place.</p>	
<p>LIC rec3 Policies and guidance due for review</p>			

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>3.1. The Licensing Manager should ensure that all Licensing Policies are reviewed and updated.</p> <p>3.2. Dates should be set for the review of each policy, and for the date each policy will be ratified by the Licensing Committee.</p>		<p>3.1. Agreed.</p> <p>3.2. The Statement of Gambling Policy and Statement of Licensing Policy have been reviewed and updated and will go to the June 2021 Licensing Committee followed by a consultation period. They will then be re-presented to the September 2021 Licensing Committee, and will then be implemented. The guidance on Taxi Licensing has been reviewed and presented to the Licensing Committee with consultation period beginning w/c 17th May 2021 for 6 weeks. There is no Licensing Committee in August 2021, therefore it is likely to be presented to the July or September 2021 committees, and in place following this, dependant on any changes required to be made. The Street Trading and Market Policy is on the workplan for this year and we hope this will be presented at the July 2021 Licensing Committee then go out for consultation which is a longer and more complex process. The policy will then be presented at the November or December Licensing Committee, and should be in place by April 2022.</p>	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>3.3 A guidance document, flowchart or checklist should be produced for each type of licence for staff to refer to which outlines all the key/mandatory checks and documentation required in order to process each licence, and also include key deadlines/time lines.</p>		<p>3.3. Deadline and timelines are defined and set by Uniform system. Timelines are dependent on processes such as waiting for DBS checks etc. There is also a Uniform user guide/instructions which outlines what is required to be completed. The Council has these in most areas. We will review these user guides to ensure that they reflect current practices, and all areas of licensing. The revised policies should also now include timelines.</p>	
<p>LIC rec 4: Incorrect fees charged</p> <p>4.1. The Council should ensure that the Fees and Charges Schedule is accurately updated to include the correct period within the schedule, and that fees have been accurately updated, to be approved by the Licensing Committee.</p> <p>4.2. Fees and Charges Schedules should be shared with the Licensing Team to ensure that the correct fees are charged.</p> <p>4.3. Any hard copy/paper applications should be reviewed to ensure that up to date fees are quoted on the forms.</p> <p>4.4. When payments are not made online, the amount received should be checked against the fee schedule for that year to ensure that the correct payment has been made for that type of application, prior to entering the</p>	<p>Medium</p>	<p>4.1. We have now approved new fee schedules for 2021-2022. We will review these to ensure the fees are correct and updated.</p> <p>4.2. The Licensing Team have discussed the new fee schedules for 2021-2022 at Team Meetings, and these have been emailed to the team.</p> <p>4.3. Agreed. We will be moving all hard copy forms onto online forms.</p> <p>4.4. Agreed. As above, will be moving hard copy applications to online process. This is a process being implemented across the Council (therefore not by the Licensing Team) and we</p>	<p>Paul Adams (Licensing Manager)</p> <p>All due dates TBC</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>payment on the system and processing the licence application.</p>		<p>hope that this will be in place by the end of 2021.</p>	
<p>LIC rec 5: Inadequate enforcement action</p>	<p>Medium</p>		
<p>5.1. The Council should ensure that a schedule/work plan is drafted for the inspections that are due/overdue with regards to animal welfare, to be carried out once pandemic related restrictions are lifted.</p>		<p>5.1. Animal Welfare inspections are re-commencing for renewal inspections. For one year licences that were issued and a mid-year inspection didn't happen, we will carry out a renewal inspection. If a three year licence issued and inspection was due, this will be scheduled in. This will be in line with the government roadmap, therefore will start from June 2021 onwards.</p>	<p>Paul Adams (Licensing Manager) All due dates TBC</p>
<p>5.2. The Council should create a schedule/work plan for Enforcement days/evenings to be carried out once the pandemic related restrictions are lifted.</p>		<p>5.2. We have started carrying out 'Enforcement days/evenings' for Private Hire and Hackney Carriage licence holders again to commence 21st May 2021. Council staff are still working from home where possible, however, this process has started.</p>	
<p>5.3. The Council should ensure that complainants receive an acknowledgement email or letter and an outcome email or letter and these should be uploaded on to the relevant complaint record on Uniform</p>		<p>5.3. Agree.</p>	
<p>5.4. All actions taken resulting from a complaint should not only be noted on the complaint record on Uniform, but also recorded against the licence</p>		<p>5.4. We should be linking the complaint record with the applicant record. We will set this up on the</p>	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
holder's record who the complaint relates to.		system and advise staff of the process.	
5.5. Outcomes of action taken as a result of a complaint should also be recorded on the complaint record on Uniform.		5.5. Agree.	
LIC rec 6: Processing of applications not always timely	Medium		
6.1. Licensing Act Personal Licence		6.1. Licensing Act Personal Licence	Paul Adams (Licensing Manager)
a) All hard copy applications should be date stamped with the date they were received by the Council.		a) Agreed. This is the responsibility of post room staff.	All due dates TBC
b) Applications should be processed in a timely manner, as per the target date set in the Uniform system.		b) These were received from Tesco Stores Limited. Unfortunately in both these cases the cover letter was not uploaded to Idox and this would have been date stamped. On receipt of the applications from Tesco, we provide the contact centre with Tesco details and they telephone Tesco Stores Limited to take payment for the applications; payment was made on 3/12/2020 and 5/8/2020. The applications would have been received on or within a few days of the above receipt dates. We believe they were processed timely, but cannot confirm as not date stamped.	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>6.2. Licensing Act - Temporary Events</p> <p>a) Acknowledgement letters should be sent by the Council one working day following receipt of an application.</p> <p>b) The relevant guidance 'Temporary Event Notices Applications Process/Timescales' should be updated to include this time scale for issuing acknowledgement letters.</p>		<p>6.2. Licensing Act - Temporary Events</p> <p>a) Agreed. Licensing Act states acknowledgement letter should be sent.</p> <ul style="list-style-type: none"> - before the end of the first working day following the day on which it was received, or - if the day on which it was received was not a working day, before the end of the second working day following that day. <p>b) TBC</p>	
<p>6.3. Animal Welfare</p> <p>a) All hard copy applications should be date stamped with the date they were received by the Council.</p> <p>b) Dates recorded on Uniform for inspections and Risk Assessment forms should be accurate and should agree with one another.</p> <p>c) A timeline should be identified and clarified for the process of carrying out inspections/risk assessments and the overall processing of Animal Welfare Licenses, and these should be documented within the relevant guidance.</p>		<p>6.3. Animal Welfare</p> <p>a) Agreed.</p> <p>b) Agreed.</p> <p>c) There is guidance alongside regulations which states timeline for processing applications. This is included within legislation. Should process within 10 weeks if possible. This is included in the Procedural Guidance notes for Local Authorities</p>	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>6.4. Public and Private Hire Taxi</p> <p>The Council should investigate with the DASH system provider the reason behind applications getting stuck in the system and resolve this to ensure timely processing of applications.</p> <p>6.5. Street Trading</p> <p>a) Applications should be processed in a timely manner, before the expiry date for renewals and validated within five working days as best practice.</p> <p>b) The relevant policy 'Street Trading and Market Policy' should be updated to include the expected timeline for processing licences.</p>		<p>on Animal Welfare Licencing Regulations (DEFRA).</p> <p>6.4. DASH is administered by another department within the council. We have already escalated this as an issue, and is yet to be resolved.</p> <p>6.5. Street Trading</p> <p>a) As long as applications are processed before the previous expiry date (for renewals) then that is satisfactory.</p> <p>b) This policy will be reviewed and will include it in updated policy.</p>	

KEY PERFORMANCE INDICATORS 2020/21

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, as detailed on page 3.	
2. Actual days are in accordance with Annual Audit Plan.	This KPI has been met.	
3. Customer satisfaction reports - overall score at least 70% for surveys issued at the end of each audit.	Survey responses received to date have been very positive.	
4. Annual survey to Audit Committee to achieve score of at least 70%.	Annual survey responses for 2019/20 scored between 80% and 100%. We are awaiting survey results for 2020/21. 2020/21 survey in progress.	
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 met for 9 out of 13 audits (see table below).	
7. Finalise internal audit report 1 week after management responses to report are received.	This KPI has been met for 12 out of 12 audits (see table below).	
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 met for 11 out of 13 audits (see table below). The KPI regarding draft report has been met for 7 out of 13 audits (see table below).	
10. Audit sponsor to implement audit recommendations within the agreed timeframe.	Of the 49 recommendations raised in 2020/21 (13 of which relate to a fraud risk assessment), 4 have been completed, 19 are in progress (two of which are high priority) and 26 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 for the audit work undertaken to date, 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 (2020/21 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	08/01/21	08/01/21 (KPI 9 met)	25/3/21 (further info received)	21/06/21 (KPI 6 not met)	24/06/21 (KPI 9 met)	28/06/21 (KPI 7 met)
Main Financial Systems	05/02/21	10/02/21 (KPI 9 met)	08/06/21	17/06/21 (KPI 6 met)	28/06/21 (KPI 9 met)	28/06/21 (KPI 7 met)
Financial Planning and Monitoring	08/02/21	10/02/21 (KPI 9 met)	22/04/21	26/05/21 (KPI 6 not met)	15/06/21 (KPI 9 met)	17/06/21 (KPI 7 met)
Contract Management and Procurement	12/08/20	19/08/20 (KPI 9 met)	08/02/21	26/02/21 (KPI 6 met)	02/03/21 (KPI 9 met)	02/03/21 (KPI 7 met)
Performance Management & Formal Complaints	08/09/20	09/09/20 (KPI 9 met)	29/10/20	02/11/20 (KPI 6 met)	06/11/20 (KPI 9 met)	09/11/20 (KPI 7 met)
Disaster Recovery & Business Continuity	06/10/20	07/10/20 (KPI 9 met)	04/12/20	14/12/20 (KPI 6 met)	11/02/21 (KPI 9 not met)	15/01/21 (KPI 7 met)
Cyber Security	26/11/20	15/12/21 (KPI 9 not met)	14/01/21	18/01/21 (KPI 6 met)	02/03/21 (KPI 9 not met)	03/03/21 (KPI 7 met)
Sickness Absence	26/08/20	31/08/20 (KPI 9 met)	20/10/20	25/10/20 (KPI 6 met)	11/11/20 (KPI 9 not met)	13/11/20 (KPI 7 met)
Fraud Risk Assessment	02/09/20	07/09/20 (KPI 9 met)	22/09/20	13/10/20 (KPI 6 met)	16/11/20 (KPI 9 not met)	16/11/20 (KPI 7 met)
Street Cleaning, Fly Tipping & Enforcement	09/10/20	11/11/20 (KPI 9 not met)	23/12/20 (further info received)	8/01/21 (KPI 6 met)	03/03/21 (KPI 9 not met)	03/03/21 (KPI 7 met)
Covid-19 Related Grants	11/09/20	14/09/20 (KPI 9 met)	22/3/21 (further info received)	21/06/21 (KPI 6 not met)	21/06/21 (KPI 9 met)	28/06/21 (KPI 7 met)
Licensing	05/01/21	07/01/21 (KPI 9 met)	14/04/21	21/05/21 (KPI 6 not met)	28/06/21 (some 'TBC's') (KPI 9 not met)	Cannot yet finalise
Corporate Strategy	21/08/20	24/08/20 (KPI 9 met)	02/11/20	09/11/20 (KPI 6 met)	16/11/20 (KPI 9 met)	16/11/20 (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
Substantial 	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.
Moderate 	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.
Limited 	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.
No 	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.



FOR MORE INFORMATION:

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