



**INTERNAL AUDIT  
PROGRESS REPORT**

Brentwood Borough Council

2022/23

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# SUMMARY OF WORK

## INTERNAL AUDIT

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2022/23 internal audit plan. 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.

## 2022/23 INTERNAL AUDIT PLAN

Our reporting on individual audits is later than would normally be the case, primarily due to a delayed start in the audit programme for the year (which could not be started until we were contractually engaged and the audit plan was approved) and further delays experienced in securing audit start dates and receiving requested information.

However, we are pleased to present the following reports to this Audit and Scrutiny Committee meeting:

- ▶ Main financial systems
- ▶ Payroll
- ▶ Climate change advisory review
- ▶ Licensing
- ▶ Sheltered accommodation
- ▶ Policy review
- ▶ Environment - fly tipping, street cleaning and enforcement
- ▶ Leisure services.

We have issued the following report in draft since the last Audit and Scrutiny Committee meeting:

- ▶ Partnership with Rochford.

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## **CHANGES TO THE 2022/23 INTERNAL AUDIT PLAN**

The following changes were agreed with officers:

- We agreed to carry out the climate change review on an advisory basis instead of providing an assurance opinion, due to the evolving nature of the Environmental Strategy.
- We changed the Housing Information audit into an audit of Sheltered Accommodation, as officers considered this to be an area in need of improvement.
- We split the scope of our work on the main financial systems this year into two components, being an audit of key controls (executive summary included in this progress report) and an advisory review to provide an independent assessment of how fit for purpose Brentwood and Rochford's finance systems are (findings from this review not included in this progress report).
- We have deferred our data protection audit into 2023/24 and will expand the scope of the financial planning audit in 2023/24 to take account of days not charged on these audits in 2022/23.

## **2022/23 INTERNAL AUDIT PLAN**

We have commenced our scoping for 2023/24 audits and are planning to deliver these in accordance with the timing set out in our audit plan.

# REVIEW OF 2022/23 WORK

AUDIT	COUNCIL LEAD	AUDIT COMMITTEE	PLANNING	FIELD WORK	REPORTING	DESIGN	EFFECTIVENESS	
Main financial systems	Interim Director Resources	July 2023	✓	✓	✓	M	M	
Commercialisation and cost savings	Interim Director Resources	Deferred into 2023/24						
Payroll shared service	Interim Director Resources	July 2023	✓	✓	✓	S	M	
Partnership with Rochford	Strategic Director	July 2023	✓	✓	Draft			
Policy review	Director Policy and Delivery	July 2023	✓	✓	✓	M	M	
Data protection	Interim Director People and Governance	July 2023	✓		Deferred into 2023/24			
Cyber security	Corporate Manager IT & Service Improvement	March 2023	✓	✓	✓	M	M	
Sheltered accommodation	Corporate Manager - Housing Needs and Delivery	July 2023	✓	✓	✓	L	M	
Environment - fly tipping, street cleaning and enforcement	Director Environment and Director Communities and Health	July 2023	✓	✓	✓	M	M	
Climate change	Director Environment	July 2023	✓	✓	✓	N/A as advisory review		
Leisure services	Corporate Manager Communities, Leisure and Health	July 2023	✓	✓	✓	M	M	
Licensing	Environmental Health and Licensing Manager	July 2023	✓	✓	✓	M	M	
Democratic services	Corporate Manager (Democratic Services)	January 2023	✓	✓	✓	M	M	

# MAIN FINANCIAL SYSTEMS

## CRR REFERENCE: CYCLICAL REVIEW AND LINKS TO ALL RISKS

Design Opinion	M Moderate	Design Effectiveness	M Moderate
Recommendations	0	3	2



### SCOPE

#### BACKGROUND

- ▶ The Council is required to have sound controls in place in its financial systems to prevent and detect error and fraud. The central finance team, led by the Director Resources, is responsible for the financial management controls and processes, including shared service arrangements in place with Basildon Borough Council for revenues and benefits. 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.
- ▶ Each year the audit of the main financial systems covers the General Ledger, including reconciliations for system interfaces and journals. Cyclical reviews are carried out on the other main financial systems.
- ▶ Last year we covered Accounts Payable, VAT returns and Treasury Management. From our follow-up procedures, we are satisfied that the Council has addressed the key recommendations that we raised.
- ▶ This year we focused our cyclical element of the audit on Council Tax, Business Rates and Housing Benefits. We also reviewed the Council's processes for managing supply chain risks, an area of review requested by the Audit and Scrutiny Committee.

#### PURPOSE

- ▶ The purpose of the audit was to carry out a detailed annual review of the Council's main financial systems, focusing on the areas noted above.

#### AREAS REVIEWED

##### General ledger

- ▶ We confirmed whether user access permissions to the finance system are updated as required and user access logs periodically reviewed.
- ▶ For a sample of monthly balance sheet control accounts during the year, we confirmed whether they were appropriately reconciled, with segregation of duties being maintained between the individual preparing the reconciliation and the individual reviewing and approving the reconciliation, and that unreconciled items were resolved on a timely basis.
- ▶ For a sample of journals raised during the year, we checked that there was sufficient documentation to support the transaction and that it had been appropriately authorised independently of the preparer.

##### Council Tax and Business Rates

- ▶ We confirmed whether user access permissions to the revenues system was updated as required and user access logs periodically reviewed.
- ▶ For a sample of weeks during the year, we checked whether there were reconciliations between the Council's lists of domestic and business properties and the information from the Valuation Office Agency (VOA), that the reconciliations were completed on a timely basis and appropriately approved, with corrective action taken where necessary.

- ▶ For a sample of Council Tax and Business Rates discounts and exemptions during the year, we confirmed whether an application was received, the evidence provided was appropriate and the correct relief/discount was allocated.

Housing Benefits

- ▶ For a sample of new claims and changes in circumstances during the year, we checked if they were processed within the targets of 21 days and 10 days respectively or reasons for delays recorded on the system.
- ▶ We obtained a list of all claimants receiving Universal Credit payments during the year and for a sample of claimants, checked that the benefit was suspended within a week from the Universal Credit payment notification and then cancelled within a reasonable period from the suspension date.

Procurement and contract management

- ▶ We reviewed how the Council identified and managed the risks of supplier failure in its contracts and procurement activity during the year.



AREAS OF STRENGTH

We identified the following good practice:

General Ledger

- ▶ For a sample of ten users with access to the Finance system, Civica, who were added between April 2022 and January 2023, authorised user access forms were in place for all ten users and the role IDs on the forms matched the level of access provided to the user. In addition, an annual review form was completed for all ten staff to ensure that their access was still applicable.
- ▶ For a sample of fifteen journals posted to the general ledger between April 2022 and February 2023, all were appropriately prepared and approved, with segregation of duties in place, and had adequate supporting evidence.

Housing Benefits

- ▶ The averaged target time frame for processing new Housing Benefits claims over each financial year is 21 working days. For our sample of five new claims for Housing Benefits processed between August 2022 and March 2023, all five were processed within the target time frame. The range of time taken to process each new claim in the sample was between one and twelve working days.
- ▶ The averaged target time frame for processing Housing Benefits change of circumstance notifications over each financial year is 12 working days. For our sample of ten change in circumstances notifications received from April 2022 to March 2023, almost all (nine out of ten) were processed within the target time frame, with the average processing time within our sample being six working days.

Council Tax and Business Rates

- ▶ For a sample of ten Council Tax accounts with discount or exemption applied, the correct discount had been awarded per the application and supporting evidence, and the amount applied in the system matched the amount communicated to the tenant on their most recent bill.

For a sample of ten Business Rates accounts with discount or exemption applied, the relief had been correctly applied and matched between the system and the business' most recent bill.



AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ Our review of the procurement and contract management practices in place found that the Corporate Business Continuity Plan does not include provision for supplier failure, risks of supplier failure are not included in the risk register and the contracts register does not consistently include the values of all contracts over £5,000 as required by the Local Government Transparency Code. **(Detailed Finding 1 - Medium)**

- ▶ For a sample of five claimants with Universal Credit, we identified one instance where the suspension and cancellation of the Housing Benefit took three months, and therefore was not completed in a timely manner. Additionally, in two instances the Council did not maintain effective contact with the claimants to ensure that the Housing Benefit could be cancelled. **(Detailed Finding 2 - Medium)**
- ▶ Our review of a sample of twelve General Ledger reconciliations identified two Council Tax (Receipts) and one NNDR (Receipts) reconciliations that were not completed within a month or reviewed within two weeks of completion. **(Detailed Finding 3 - Medium)**
- ▶ Our review of a sample of seven billing and benefits user accounts with access to the system found that one user did not have an authorised access form in place to approve their access to the revenues system. **(Detailed Finding 4 - Low)**
- ▶ Discussion with the Council and review of a sample of ten Business Rates accounts with discounts applied identified that a Senior Officer is required to approve any accounts with 'discretionary discount' applied. However, this requirement is not documented in any procedure notes. Furthermore, our review of the two procedure notes in place for purchasing and procurement officers identified that they do not contain completed version control sections detailing the procedure's approval and future review dates. **(Detailed Finding 5 - Low)**



## CONCLUSION

- ▶ We have raised three medium and two low level findings.
- ▶ We identified several areas of good practice in respect of general ledger system access, journal approvals, the application of Council Tax and Business Rates discounts and exemptions, and the time taken to process new housing benefit claims.
- ▶ However, we identified scope for improvement in contract management practices with regards to completeness of the contracts register, risks around supplier failure and associated detail in the Corporate Business Continuity Plan; timeliness of general ledger reconciliations; timeliness in responding to universal credit notifications; completion of access forms for the Revenue and Benefits system; and some key details omitted from the Council's documented procedure notes.
- ▶ As a result of our audit, we have concluded moderate assurance over both the design and effectiveness of the Council's arrangements in relation to the general ledger, Council Tax and Business Rates, Housing Benefits and procurement and contract management.



MANAGEMENT ACTION PLAN:






Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Procurement and contract management</b></p> <p>a) The Council should consider the need to add supplier failure as a risk to its risk register and business continuity plan to ensure that the Council is adequately prepared in the event of failure of a key supplier or its chains.</p> <p>b) All final contracts should be electronically held by the Procurement Team. An email should be sent to all departments, to ensure they scan and send their contracts to the Senior Procurement Officer.</p> <p>c) The Senior Procurement officer should complete a reconciliation between procurement activity and awarded contracts and ensure that the contracts register is updated accordingly, with values, contract manager and all other required details.</p>	<p>Medium</p>	<p>a) Agreed.</p> <p>b) Agreed in principle but may not be practical. Some contracts are very large and would take a long time to scan. Also may take up too much space in electronic storage. Could discuss with the IT team about storage.</p> <p>c) Agreed. Have always done this but not up to date due to working in Legal.</p>	<p>Senior Procurement Officer</p> <p>March 2024</p>
<p><b>2. Communications regarding Universal Credit</b></p> <p>a) The Council should ensure that timely actions are taken and evidenced in the account notes, to follow up with claimants regarding changes to their housing benefit entitlement and ensure that the tenant is informed promptly to notify the DWP.</p> <p>b) The Council should ensure that the time frame to suspend Housing Benefit payments when claimants receive Universal Credit is communicated to all staff and monitored to ensure it is adhered to.</p>	<p>Medium</p>	<p>a) These work items are now dealt with as priority in a daily work queue to ensure no overpayments are created.</p> <p>b) Senior staff have reminded all staff at their team meeting to ensure suspensions are dealt with as priority. These work items will be monitored by the Senior Team on a regular basis.</p>	<p>a and c: Senior Billing and Benefits Officer</p> <p>b: Senior Benefits and Welfare Officer</p> <p>June 2023</p>
<p><b>3. Timeliness of reconciliations</b></p> <p>The Council should ensure that monthly general ledger reconciliations, and council tax and business rates property reconciliations, are completed in a timely manner. We recommend that reconciliations are completed</p>	<p>Medium</p>	<p>Reconciliations were delayed in 2022/23 due to be vacancies and lack of resources. The team is now fully resourced so this will improve. However, due to us being a small team, there is always the risk</p>	<p>Corporate Finance Manager</p> <p>Senior Billing &amp; Compliance Officer</p> <p>June 2023</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>within a month of the end of the period being reconciled and reviewed within two weeks of completion.</p>		<p>reconciliations could slip due to key staff leaving or taking leave.</p> <p>Council Tax property reconciliation is completed weekly. The period when these reconciliations were reviewed was when the annual government return (CTB1) was being completed. The CTB1 form is completed based on the Valuation List as at Monday 12 September. No further schedules received from the Valuation Officer Agency can be uploaded until the CTB1 form has been completed and approved by the Section 151 Officer for the Authority. Schedules were unable to be uploaded between Monday 12 September to Friday 14 October. Therefore, this delay with the sample testing was out of the Authority's control.</p>	
<p><b>4. Council tax and business rates system access</b></p> <p>a) The Council should ensure that all user access forms are signed as approved before system access is granted.</p> <p>b) The Council should undertake periodic reviews of system access to ensure that access is approved and commensurate to job roles.</p>	<p>Low</p>	<p>a) We are currently in the process of changing our procedure whereby system access will be done electronic. Access will not be granted unless it has been approved by Team Leader or above.</p> <p>b) These periodic reviews have now been set up to ensure access is still required for their Job Role.</p>	<p>Revenues &amp; Benefits Technical Manager</p> <p>a: Sept 2023</p> <p>b: June 2023</p>
<p><b>5. Policies and procedures</b></p> <p>a) The procurement and purchasing procedure notes should be updated to ensure the approver of the</p>		<p>a) Agreed.</p> <p>b) Our procedure process map will be amended to include reference to</p>	<p>a: Senior Procurement Officer</p> <p>March 2024</p> <p>b: Revenues &amp; Enforcement Manager</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>procedures is noted, the next review date and the date of the policy at the footer is amended to ensure staff are aware of which version of the policy is the most up-to-date, and the procedures are reviewed regularly to reflect any changes to the process.</p> <p>b) A procedure note stipulating the requirement for approval of discretionary discount should be created and communicated to staff, to ensure all staff including any new joiners are aware of this requirement.</p>		<p>approval being required to a Senior Officer. This will be circulated to all Business Rates staff.</p>	<p>July 2023</p>

# PAYROLL

## CRR REFERENCE: CYCLICAL REVIEW

Design Opinion	 Substantial	Design Effectiveness	 Moderate
Recommendations	 0	 3	 0



### SCOPE

#### BACKGROUND

- ▶ The Payroll audit forms part of the approved internal audit plan for 2022/23.
- ▶ Payroll services have been outsourced to an external provider since 2014. Braintree District Council has been the provider since the 1st of April 2021, with a three plus two-year contract agreement in place.
- ▶ Braintree is responsible for administering payroll functions before passing over to the Brentwood Council Finance Team to carry out a reconciliation, run the BACS report and make the payments.
- ▶ Previously, quarterly contract monitoring meetings were held, but staff vacancies caused disruption to regular scheduling. After a gap in meetings, a new monthly meeting schedule has been established which will be continued at this frequency until further notice.
- ▶ Contractor meetings are currently the responsibility of the Finance Manager and the Service Manager.
- ▶ The Council has 254 employees who are paid on a monthly basis.

#### PURPOSE

- ▶ The purpose of this audit is to provide assurance over the contractual monitoring arrangements over the shared payroll service, interfaces between the Council and the shared service and the adequacy and effectiveness of controls over inputs and amendments to the payroll system.

#### AREAS REVIEWED

Our audit focussed on the following areas:

- ▶ Reviewing the contract between the Council and the payroll provider to ensure that it contains adequate contract monitoring arrangements, and these are adhered to.
- ▶ Confirming the Council has defined clear roles and responsibilities to ensure that the contract is monitored and that these duties are carried out effectively.
- ▶ Determining whether interfaces between the Council and the payroll provider work effectively, eg that requests made by the council are effectively implemented by the provider in line with appropriate deadlines and cut offs.
- ▶ Reviewing a sample of payments to employees on long term-sick leave and maternity leave to verify that the appropriate salary deductions have been correctly applied.
- ▶ Reviewing a sample of leavers to confirm whether they were removed on a timely basis to avoid overpayments.
- ▶ Reviewing a sample of monthly payroll reconciliations undertaken and confirming any identified discrepancies have been investigated and resolved.



## AREAS OF STRENGTH

We identified the following good practice:

- ▶ Interfaces between the Council and the payroll provider work effectively with requests made by the Council being appropriately acted on by the payroll provider.
- ▶ Leavers are promptly processed and removed from the payroll.
- ▶ Monthly reconciliations are appropriately carried out and payments are approved by the Corporate Finance Manager.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ Quarterly KPI reports should form part of the contract monitoring arrangements per the contract but these are not being received by the Council. **(Finding 1 - Medium)**
- ▶ Staff vacancies resulted in a gap in contract monitoring meetings between November 2022 and March 2023. Meetings have since resumed but no minutes or other formal records of these are kept. **(Finding 2 - Medium)**
- ▶ Our testing of a sample of five long-term sick and maternity absence requests found that in one case an incorrect option was mistakenly entered in the online sickness absence request, resulting in an overpayment. While the error was subsequently detected by the Council, HR should carry out a review to determine if there are other errors of this nature. **(Finding 3 - Medium)**



## CONCLUSION

- ▶ Our review found that effective controls are in place and working well around the administration and management of the payroll.
- ▶ However, we identified a scope for improvement in contract monitoring arrangements, specifically around roles and responsibilities and performance information, and an error in the completion of an online sickness absence request form.
- ▶ We have raised three medium priority recommendations.
- ▶ Overall, we provide substantial assurance over the design of controls in payroll processes and moderate assurance in relation to the effectiveness of controls.






MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Performance monitoring reports</b></p> <p>The Council should ensure that quarterly performance reports are provided in line with the terms of the Service Provision Agreement. Alternatively, officers should agree with the payroll provider a set of information to be provided on a quarterly basis, which would provide the Council with assurance that services are being delivered in line with the specification.</p>	<p>Medium</p>	<p>Agreement on key performance indicators will be finalised at the next contract monitoring meeting with an agreed process moving forward, in order to effectively manage the Service Provision Agreement.</p>	<p>Joint Acting Director People &amp; Governance Sept 2023</p>
<p><b>2. Roles and responsibilities</b></p> <p>a) A contingency plan should be agreed, documented and disseminated to all relevant parties to ensure responsibility for continuing contract monitoring and attending meetings with the payroll provider is formally established.</p> <p>b) Responsibility for recording the meetings minutes / actions between the Council and payroll provider should be clarified. The Trust should consider adjusting its response timeframe targets, allowing more time for responding to complaints. A more achievable target should result in improved performance, while remaining compliant with NHS guidance.</p> <p>c) All agreed actions in contract monitoring meetings should be recorded and reported to the subsequent meetings to ensure effective management of the service's operations.</p>	<p>Medium</p>	<p>This will be picked up and agreed at the next contract monitoring meeting.</p>	<p>Joint Acting Director People &amp; Governance Sept 2023</p>
<p><b>3. Sickness form completion</b></p> <p>a) An exercise should be undertaken to determine if this issue of mistakenly selecting 'Industrial Injury' from the drop-down bar has been repeated elsewhere, and the Council has overpaid other employees in the same way.</p> <p>b) The Itrent 'Payment absence details' form should be reviewed to</p>	<p>Medium</p>	<p>An exercise will be undertaken before the next contract monitoring meeting to ascertain if there are any other issues where the wrong drop down has been selected. We have asked for the 'Industrial Injury' option to be removed to</p>	<p>Joint Acting Director People &amp; Governance Sept 2023</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>ensure it contains only options required and used at the Council. If appropriate, the 'Industrial Injury' option should be removed to prevent the same mistake from occurring again.</p> <p>c) If the options need to remain the same, an additional mitigating control should be introduced to review sickness pay records prior to each payment run to ensure accuracy and avoid overpayments.</p>		<p>ensure that this doesn't occur in the future.</p>	

# CLIMATE CHANGE ADVISORY REVIEW

## CRR REFERENCE: RSK2: ENVIRONMENT STRATEGY

Design Opinion	 N/A	Design Effectiveness	 N/A
Recommendations	 1	 3	 0

### SCOPE

#### BACKGROUND

- ▶ The Climate Change Act (2008) highlights the UK's aim to become carbon neutral by 2050.
- ▶ 'Protecting our environment' is one of the Council's five priorities in its Corporate Strategy and the Council's aim is to be carbon neutral within its own activity by 2040 and borough wide by 2050.
- ▶ A draft Brentwood Environment Strategy was presented to the Environment Enforcement and Housing Committee in March 2022, at which it was agreed to approve the strategy for consultation and to take account of any feedback.
- ▶ The Council consulted on the strategy during July and August 2022 and the Community Environment and Enforcement Committee approved the final Environment Strategy 2023 - 2026 in December 2022.
- ▶ The strategy includes an action plan for the following key areas that the Council has decided to focus on: Transport and Air Quality, Built Environment and Energy, Waste, and Partnership Working. This action plan, going forward, will form the basis for any annual reporting on the progress of the strategy, based on the key performance indicators set out in the strategy.
- ▶ At present the Environment Strategy sets out how the Council can influence actions and outcomes to achieving carbon neutral across the Borough by 2050. Officers intend to develop a further action-plan, a Carbon Reduction Plan, with a greater level of detail setting out how the Council will specifically achieve net zero by 2040, for approval by the Community Environment and Enforcement Committee in June or July 2023.
- ▶ As the Council has only recently approved its Environment Strategy and it is acknowledged that more needs to be done to embed the strategy and work on underlying action plans and actions, we have agreed with the Director of Environment that we will carry out our review on an advisory basis, without seeking to provide assurance over the effectiveness of controls in this area.

#### PURPOSE

- ▶ The purpose of our review is to assess the adequacy of the Council's Environment Strategy, underlying actions plans and framework to measure and monitor achievement of carbon commitments.

#### AREAS REVIEWED

The following areas were covered as part of this review:

- ▶ **Environment Strategy** - We reviewed the Council's Environment Strategy to confirm whether it clearly sets out the Council's vision and steps it will take to ensure it achieves its goals of having zero carbon emissions internally by 2040 and borough wide by 2050.
- ▶ **Public Consultation and Community Engagement** - We reviewed the public consultation carried out by the Council between July and August 2022 to confirm whether results of the consultation have fed into the Strategy and underlying action plans.



- ▶ **Liaison with External Organisations** - We confirmed what liaison has taken place between the Council and other organisations, such as Friends of the Earth, Wildlife Trust or through the Brentwood Environmental Business Alliance (BEBA), in order to support the Council in achieving its climate change goals.
- ▶ **Climate Change Action Plans** - We reviewed the Council's Environment Strategy Action Plan, any emerging Carbon Reduction Plan and any other supporting plans to assess whether the action targets are specific, measurable, achievable, realistic and timebound (SMART), assigned to clear action owners and regularly reviewed.
- ▶ **Sources of Carbon Emissions and Data Quality** - We checked whether the Council has taken steps to comprehensively document all sources of carbon emissions and whether its action plans address all identified sources. We also reviewed the extent to which the Council has determined how the carbon emissions from each of these sources can be measured and monitored.



## AREAS OF STRENGTH

We identified the following good practice:

- ▶ An Environment Strategy is in place for 2023-26 which sets out the Council's vision and steps it will take to achieve its goals of having zero carbon emissions internally by 2040 and borough wide by 2050. The Strategy was approved on 19 December 2022 by the Community, Environment and Enforcement Committee.
- ▶ The Chair of Community, Environment and Enforcement Committee is the Cabinet Member responsible for the implementation of the Strategy ensuring senior scrutiny and oversight.
- ▶ The Strategy includes strong net zero targets for both the Council and the borough, actions have been assessed as to the carbon impact and where possible a specific emission amount is confirmed.
- ▶ The Council has completed a public consultation on the Strategy and the results have been taken into account for the redraft of the Strategy.
- ▶ The report accompanying the Strategy noted the outcomes of the consultation. This assessed the outcomes, which were included within the action plan where possible, and if this resulted in a significant impact on carbon emissions reduction. The report also recognised the importance of having further conversations with communities on harder to achieve actions.
- ▶ The action plan had been updated to include actions identified from the public consultation that were feasible and within the Council's remit.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ From a review of the Environment pages of the Council's website we noted that it has not been updated with the latest Strategy document. In addition, the Council does not have a communications plan or strategy in place for distributing information and reporting regular updates on progress of the Strategy and action plan. **(Finding 1 - Medium)**
- ▶ Whilst consultations with external organisations were completed, this was minimal and reliance was being placed upon the public consultation. **(Finding 2 - Medium)**
- ▶ We noted that there are no formal reporting lines or performance measures established to enable consistent and regular monitoring of the progress made against agreed actions. In addition, climate risks, which currently sit within the Community Risk Register, relate mainly to storm/flooding events and do not cover the Strategy and emissions or the wider impacts of climate change such as waves and drought. **(Finding 3 - High)**
- ▶ The actions within the action plan have not been financially assessed to identify which would give the best value for money in reducing emissions. **(Finding 4 - Medium)**



## CONCLUSION

- ▶ From our review of the environment strategy, it can be concluded that the Council has a solid basis for the reduction of carbon emissions.
- ▶ We identified some areas for improvement, mostly focused on the need for improved communications and action planning. Our recommendations will assist in strengthening the monitoring of the agreed actions and support achievement of the Council's objectives and targets in relation to climate change and carbon reduction.






MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Strategy</b></p> <p>a) The Council website should be updated with the new Environment Strategy for public viewing.</p> <p>b) A communications plan/strategy should be drafted for distributing information and reporting regular updates on progress of the Strategy and action plan.</p>	Medium	<p>Agree to recommendations - Comms Plan will be included in updated action plan to be submitted to the Community, Environment and Enforcement Committee in the summer.</p>	<p>Climate and Sustainability Officer July 2023</p>
<p><b>2. External liaisons</b></p> <p>The Council should engage with the key external organisations in time for the next annual report. This could be used to further develop partnerships and provide further information for the public to access on the Council website.</p>	Medium	<p>Agreed. The Council has started working with ASELA on the Climate and Environment Workstream and has recently submitted a funding bid looking at innovate green finance. The Council is also working with the Climate Action Anchors Working Group (CAAWG) pan Essex Group to share and deliver best practice.</p>	<p>Climate and Sustainability Officer Ongoing 2023</p>
<p><b>3. Governance arrangements</b></p> <p>a) The Council should consider establishing a climate sub-committee which receives reports on a quarterly basis on the progress made against actions within the action plan.</p> <p>b) This climate sub-committee should report annually into the Environment Committee and Council on progress made and reduction in emissions.</p> <p>c) The Council should put together a risk register that fully details the risks involved with implementing the strategy and monitor this on a quarterly basis at the climate sub-committee.</p> <p>d) The Council Report template should be updated to include environmental implications so that these are considered for all decisions made.</p> <p>e) The Council should enhance the KPIs detailed within the Strategy</p>	High	<p>Agreed. There may be difficulty in establishing a sub-committee but we will look into the possibility.</p>	<p>Climate and Sustainability Officer October 2023</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
to include the key leads responsible for monitoring this data.			
<p><b>4. Action plan</b></p> <p>a) The action plan should be enhanced and updated to fully record the owner and timescales involved for actions identified.</p> <p>b) The Council should financially assess the actions within the plan, so that the most cost effective, carbon reducing actions can be prioritised.</p> <p>c) The Council should liaise with other local boroughs and councils to see whether the actions identified could include support from partnerships.</p> <p>d) The Council should update its formal action plans to include other required actions identified by the Climate and Sustainability Officer during our review.</p>	Medium	Agreed.	Climate and Sustainability Officer Summer 2023

# LICENSING

**CRR REFERENCE:** N/A

Design Opinion	 Substantial	Design Effectiveness	 Moderate
Recommendations	  		



## SCOPE

### BACKGROUND

- ▶ The Licensing Act 2003 places obligations on local authorities for the review and granting of licences for regulated activities. These activities include the sale/supply of alcohol, provision of regulated entertainment and late-night refreshments. There are four licensing objectives defined within the Act, which the Council must have regard to in carrying out its licensing functions and assessing licence applications:
  - The prevention of crime and disorder
  - Public safety
  - The prevention of public nuisance
  - The protection of children from harm
- ▶ Under the 2003 Act, each licensing authority must publish a ‘Statement of Licensing Policy’ to set out how it plans to promote the objectives above when determining licence applications. Furthermore, a licence register must be made available for public inspection and scrutiny which, in turn, promotes the overarching licensing objectives and enables transparency over local licensing decisions which can affect residents, business and visitors.
- ▶ The Council has a committee structure in place to consider licensing applications, appeals and related matters. These committees include the Licensing Committee and the Licensing Sub-Committee, the remits of which span the provisions within the Licensing Act 2003 and Gambling Act 2005, the application of fees and charges, appeals, and other licensing functions such as animal welfare, scrap metal dealing and private hire operators.
- ▶ An internal audit review of Licensing was previously conducted in 2020/21, which highlighted gaps in controls and non-compliance with policies relating to the issuing of licences, a lack of supporting documentation for licence applications and issues with the recording of information in relation to licence applications. In addition, although a suite of licensing policies and supporting guidance was found to be in place at the time, these were noted to be overdue review, potentially affecting the Council’s ability to comply with legislation.

### PURPOSE

- ▶ The purpose of the audit is to provide assurance that appropriate controls have been designed and are operating effectively to enable the Licensing service to fulfil its statutory duties and achieve its aims.

### AREAS REVIEWED

- ▶ Policies and procedures covering the different types of licences within the Council’s remit are not maintained or are out of date, resulting in failure to comply with current legislative requirements.
- ▶ Staff do not maintain up to date knowledge of changes in licensing requirements, resulting in breaches.
- ▶ A licensing register, as required by the Licensing Act is not maintained, or is inaccurate or out of date.

- ▶ Policies and procedures for licensing are not followed resulting in licences being issued inappropriately, or not processed in a timely manner. Licensing decisions are not supported by adequate documentation or premises inspections.
- ▶ Authorisation for licences is not evidenced or decisions are made outside limits of authority.
- ▶ Fees for licence applications are not charged in accordance with statutory or agreed fee scales.
- ▶ Enforcement is inadequate leading to unlicensed or unregulated activity.



## AREAS OF STRENGTH

We identified the following good practice:

- ▶ There is a Licensing Committee, which discharges all functions conferred upon the council as licensing authority under the Licensing Act 2003.
- ▶ There is a Licensing Sub-Committee which hears and determines all licensing applications, registration and appeals relating to licensed trading activities, including all functions relating to hackney carriage drivers and vehicles and private hire drivers vehicles and operators; animal welfare and security; skin piercing, acupuncture, electrolysis and tattooing; sex establishments (including sex entertainment venues (SEV)); pavement permits; charitable collections; camping, caravan site and mobile homes; and scrap metal.
- ▶ There is a Statement of Licensing Policy, under which the council as licensing authority discharges its functions relating to licensing under the Licensing Act 2003, and the Gambling Act 2005. Both the Licensing Act 2003 Policy, and the Gambling Act 2005 Policy are currently undergoing review by the Licensing Committee 2022/23.
- ▶ The following three policies, which had been subject to consultation, were undergoing review in February 2023 and were to be presented for approval at an upcoming meeting of the Licensing Committee:
  - All functions relating to hackney carriage drivers and vehicles and private hire drivers vehicles and operators covered by the draft Taxi Policy 2023
  - All Pavement Permits covered by the draft Street Trading Policy 2023
  - The Gambling Act 2005 draft Policy 2023.
- ▶ Other trading activities are covered by detailed guidance on the Council website last updated August 2022:
  - Animal welfare and security, including animal boarding, pet shops, riding establishment, zoos.
  - Skin piercing and beauty treatments, including acupuncture, electrolysis, tattooing.
  - Sex establishments (including sex entertainment venues)
  - Camping, caravan sites and mobile homes
  - Charitable collections
  - Scrap metal dealers
- ▶ There is a Licensing Enforcement Policy, however, last updated 19 May 2016 to include guidance on enforcement action, the Better Regulation Delivery Office Regulators Code 2014.
- ▶ Licensing fees and charges 2022-23 are set in accordance with the Council's medium-term resources strategy, approved by the Licensing Committee and published.
- ▶ The Council has a Licensing Register in place and uses licensing case management software, Uniform by Idox plc which enables submission of evidence for processing applications, inspection, and enforcement of licensing standards.
- ▶ The Council website enables a search of the Licensing Register for licences and licensing applications by keyword, application reference, postcode or by single line of an address. The word 'licence' refers to a variety of authorisations including notices, permits, registrations, certificates, and consents issued by the Brentwood Council Licensing Authority.

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- ▶ The Licensing Register shows details of granted licences and certificates. Applications which are still within the consultation process, are available for website users to view at Applications under Consultation.
  - ▶ The Licensing team is jointly managed by two Licensing Managers who oversee a joint service between Brentwood Borough Council and Thurrock Council, which includes Environmental Health & Licensing.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ **Staff Training:** there is no comprehensive monitoring of the mandatory and statutory staff training and development relating to licensing, licences, regulations and trading standards and best practice. *(Finding 1 - Medium)*
- ▶ **License processing:** Our review of a sample of 10 licenses processed between April 2022 to February 2023 identified one inspection report that was not sufficiently comprehensive and detailed; and there was insufficient evidence that the conditions of the licence were met prior to the license being granted. *(Finding 2 - Medium)*
- ▶ **Enforcement activity:** Our review of a sample of five enforcement cases between April 2022 to February 2023 identified one case where enforcement requirements were not confirmed. In addition, there was no operational plan 2022-23 for enforcement action, including licensed premises inspections, and tracking of all enforcement activity. *(Finding 3 - Medium)*
- ▶ **Enforcement Policy:** There is a Licensing Enforcement Policy, however, it was last updated 19 May 2016 and does not reflect the shared licensing and enforcement with the licensing team at Thurrock Council. *(Finding 4 - Low)*



## CONCLUSION

- ▶ We have raised three medium and one low priority recommendation to improve the Council's controls over licensing, regarding monitoring staff training and development, quality of inspection reports, tracking enforcement activity, and updating the enforcement policy.
- ▶ Consequently, we conclude moderate assurance over the design and moderate assurance over the operational effectiveness of the controls in place to enable the Licensing service to fulfil its statutory duties and achieve its aims.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Staff training and development</b></p> <p>Develop and maintain a comprehensive staff training and development matrix to register, track and monitor all mandatory, statutory, and best practice training and development.</p>	<p>Medium</p>	<p>There are no mandatory requirements for licensing training or continuous CPD as with other professions such as Environmental Health, other than for Animal Licensing Inspections. Our membership of the Institute of Licensing provides access to a vast range of topic specific training courses, which staff do attend when relevant and required. It is difficult to schedule planned training as courses and training available are often offered by the IOL throughout the year, in response to changes in legislation and guidance relating to each licensing area. Officers are undertaking the Mandatory Animal Inspectors training if undertaking that aspect of work. The partnership with Thurrock also allows access to qualified animal inspectors which provides resilience for staff absence.</p> <p>Records of training have been kept individually previously, but we have now introduced a training matrix where all training undertaken is recorded centrally within the Licensing department and will be subject to ongoing tracking and monitoring.</p>	<p>Licensing Manager</p> <p>Actioned</p> <p>(We will follow up and seek evidence in July 2023)</p>








Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>2. Case management</b></p> <p>a) Remind licensing officers to ensure the outcomes of inspections are documented comprehensively and in sufficient detail to demonstrate whether or not the conditions of the licence have been met.</p> <p>b) Introduce quality reviewing of inspection reports on a sample basis to ensure high reporting quality standards are maintained, reports are sufficiently comprehensive and detailed and supported by sufficient documentary evidence, prior to granting new licences in order to ensure that individuals who apply for a licence and do not meet the regulation requirements for the grant of a new licence are refused a licence appropriately.</p> <p>c) Ensure the reason for delays processing applications are identified and documented.</p>	<p>Medium</p>	<p>a) A comprehensive inspection proforma is provided for inspections to ensure that all areas that need to be considered are covered. This proforma had been used but in places ticks and brief comments had been used to indicate that the requirements had been met. These documents are completed on site and at the time the inspection is undertaken. Staff have now been reminded to ensure that they complete with as much detail as possible. The licence in question was issued correctly as conditions were being met.</p> <p>b) Limited monitoring checks will be put in place to ensure that high quality inspections and checks are taking place on a small sample of cases. Resources do not allow for all cases to be checked, but Uniform and the Enterprise system also provides checks and monitoring that requirements are met.</p> <p>c) The response date on Uniform had been set incorrectly. For this type of application, 12 weeks are given from receipt to decision. This application was processed within time scales. Uniform has been amended</p>	<p>Licensing Manager</p> <p>a) Actioned b) October 2023 c) Actioned</p> <p>(We will follow up on the 'actioned' responses in July 2023)</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
		to ensure the right parameters are given.	
<p><b>3. Enforcement activity arrangements</b></p> <p>a) Management should ensure that the team’s enforcement activities are analysed against the resources available, and an assessment of the risks of the licensable activities and based on that a comprehensive operational plan be developed for enforcement, including inspections.</p> <p>b) The plan should be approved, and delivery monitored and scrutinised regularly throughout the year.</p> <p>c) Ensure there is tracking of all enforcement activity, clearly referenced to the case files on Uniform.</p>	Medium	<p>a) There is no requirement for routine inspection of licensed premises, as there would be in similar regimes such as food premises, under the food hygiene regulations. Inspections are carried out on a risk-based approach, and usually in response to complaints or incidents. Where capacity allows routine inspections may be undertaken around a theme or in support of a wider operation. The exception to this would be taxi enforcement where officers would usually undertake roadside checks on a weekly basis around other tasks. Currently the team resources are severely impacted with long term absence and officers on restricted duties, which has hampered the scheduling of any programmed inspections. Reactive inspections are being undertaken, and where required additional support is sought from the Thurrock partnership to ensure that all complaints and incidents are responded to accordingly. Once the team’s resource issue is resolved, a more comprehensive</p>	<p>Licensing Manager</p> <p>a) July 2023 b) October 2023 c) July 2023</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
		<p>plan will be produced scheduling areas of enforcement throughout the year.</p> <p>b) Once in place this will be monitored accordingly by management.</p> <p>c) All enforcement activity is recorded on Uniform and the increased use of the mobile apps with Uniform will ensure easier and more efficient recording of actions.</p>	
<p><b>4. Enforcement policy</b></p> <p>The Enforcement Policy should be reviewed to ensure it is up to date.</p>	<p>Low</p>	<p>Accepted. The owner of this Policy is the Environmental Health Manager. The Licensing Manager will liaise with the owner to ensure that a review is undertaken. The current policy while dated 19 May 2016 is still current and relevant for Licensing</p>	<p>Licensing Manager</p> <p>July 2023</p>

# SHELTERED ACCOMMODATION

## CRR REFERENCE: RSK 4 - FAILURE TO DELIVER THE COUNCIL'S STRATEGIC HOUSING

Design Opinion	 Limited	Design Effectiveness	 Moderate
Recommendations	  		



### SCOPE

#### BACKGROUND

- ▶ The audit of Sheltered accommodation was added to the 2022/23 internal audit plan at management request, to replace the previously planned Housing management information audit.
- ▶ The Council offers sheltered accommodation to older people who want to downsize and continue to live independently within a self-contained home but who are looking for additional security and occasional support. Other benefits include the ability to socialise with other residents, a 24-hour emergency helpline and shared gardens.
- ▶ It is aimed at people aged over 55, although the Council may consider people who are aged under 55 depending on their support needs.
- ▶ The Council has 487 sheltered housing units, including studio and one-bedroom apartments within an in-house scheme, satellite bedsits, one-bedroom apartments, and a range of one- and two-bedroom bungalows situated throughout the borough. Two-bedroom bungalows are available to people who have a medical need for a second bedroom as assessed by the Council's independent medical adviser.
- ▶ The Sheltered Accommodation team consists of 15 officers, including a Corporate Manager, Team Leader, Housekeepers, Support Officers and bank staff, although several positions are currently vacant. The team handles the application and allocation process, as well as providing support for residents living in sheltered accommodation.
- ▶ A 2021-2026 Housing Strategy has been implemented by the Council, which highlighted that the Council's sheltered housing stock is underused and in need of review. Officers carried out a review of sheltered housing in 2020/21 to identify properties that should be retained as sheltered housing and which buildings should be used for a different purpose or regenerated to provide modern housing to meet future needs. The Council recognises that there is a link between sheltered housing and other support services in contributing to the overall health and wellbeing of its residents.

#### PURPOSE

- ▶ The overall objective of the audit is to provide an objective independent opinion on the adequacy and effectiveness of controls / processes in relation to sheltered housing.

#### AREAS REVIEWED

The following areas were covered as part of this review:

- ▶ Assess whether appropriate policies and procedures are in place, approved and up to date to govern sheltered accommodation application, allocation and monitoring processes.
- ▶ Assess whether there is a central record in place to log and monitor sheltered accommodation activities, and determine whether this is accurate and up-to-date.
- ▶ Determine whether applications and allocations for sheltered accommodation are handled in a timely manner and in accordance with Council policy and legislation.

- ▶ Determine whether allocations for sheltered accommodation are reviewed and independently authorised prior to accommodation being assigned to residents.
- ▶ Assess whether resident support plans are in place, appropriate and regularly reviewed to ensure that residents' needs are met.
- ▶ Assess whether sheltered accommodation is regularly inspected to identify health and safety and building safety issues, with any issues rectified in a timely manner.
- ▶ Assess whether there is a planned preventative maintenance programme in place covering all sheltered accommodation sites.
- ▶ Determine whether business continuity plans are in place to cover the management of sheltered accommodation and support for residents.
- ▶ Determine whether accurate records are kept of complaints, compliance issues and meetings between staff and residents, including whether action plans are in place and monitored to rectify identified issues.
- ▶ Assess whether there is regular monitoring and oversight of applications, allocations, complaints, safety and compliance issues, and whether this monitoring contributes to the achievement of the Council's strategic objectives.



## AREAS OF STRENGTH

We identified the following good practice:

- ▶ Allocations for sheltered accommodation are reviewed and independently authorised prior to accommodation being assigned to residents.
- ▶ The Council carries out Health & Safety related checks for its supported housing schemes including annual gas safety checks; weekly hot and cold-water flushing; 6-month fire alarm checks; annual emergency lighting testing and annual fire extinguisher checks.
- ▶ Our testing of a sample of 5 supported housing schemes found that these checks were completed in line with their stated frequencies.
- ▶ The Council has a contract in place with Axis Europe who are responsible for carrying out responsive and planned preventive maintenance at the Council's Sheltered Accommodation Schemes.
- ▶ Our review of the Housing Business Continuity Plan noted it to set out critical tasks for Sheltered Housing and steps to follow in the event of IT failure, Denial of Access (assuming access to IT), loss of staff and critical supplier failure.
- ▶ A Team Tasking meeting takes place every Tuesday morning. The objective of the Tasking meeting was to discuss residents who have had a recent change in either their well-being or behaviour resulting in concern and now requires additional resources or actions to be put in place such as a safeguarding referral, additional home visits or calls, or any other agreed actions.
- ▶ Activities relating to Sheltered Accommodation are reported by exception to the Housing Committee where matters require the attention of committee members. We were provided with evidence of Housing Committee minutes for September 2022 and December 2022 where issues such as planned works, mobility scooters, careline equipment, pullcord checks and fire risk assessments for example were discussed.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ Lack of formal operational procedures and working in silo from the rest of the Housing team and other related services, which may lead to out of date or inappropriate working practices being adopted, lack of resilience in the event of unexpected absence of key staff and poor user experience. **(Finding 1 - High)**
- ▶ Sheltered Housing case records are largely paper based before they are scanned into Orchard, although plans are in place to migrate all records to an electronic document management system in future. All welfare visits and tenancy issues are recorded outside of the two main housing systems, on a separate manually maintained excel-based workbook. There is no standard or systematic approach to needs assessment, support planning or case review. There was also no evidence of a formal approach to document retention. **(Finding 2 - High)**

- ▶ Our testing of a sample of 10 supported housing applications which were made between August 2022 - January 2023 found that in 4/10 instances the Sheltered Housing Assessment (SHA) was not held within Locata. In addition, the current support plan template was put in place approximately 15 years ago and has not been reviewed since. **(Finding 3 - Medium)**
- ▶ We were provided with the draft Service Business Continuity Plan for Housing which was last reviewed in June 2022. The plan outlines the specific requirements of the service in the event of an incident which disrupts normal operations and considers alternative working arrangements in the event of a loss of IT, denial of access, loss of staff and critical supplier failure. However, it was yet to be approved, disseminated and tested for appropriateness / effectiveness. **(Finding 4 - Medium)**
- ▶ There was evidence of poor communication arrangements between repairs and Sheltered Housing team whereby the results of the checks were not always shared and therefore not actioned. For example, a case of one resident was sighted who had no gas supply for four years. **(Finding 5 - Medium)**
- ▶ There was no guidance in place on how to recognise, record and follow through an onsite communication between staff and residents which may be raised during for example a welfare visit. **(Finding 6 - Medium)**
- ▶ Based on interviews and review of documentation, we noted that there was no clear service plan or specification setting out the services provided or expected outcomes. Furthermore, whilst there were KPIs on the housing KPI tracker, they were not completed, which makes the assessment of service performance or achievement of overall objectives impossible. This may also hinder the Council's compliance with the *Supported housing: national statement of expectations* as well as leave the service unprepared for the introduction of the Supported Housing (Regulatory Oversight) Bill. **(Finding 7 - High)**



## CONCLUSION

- ▶ Based on the work performed, we noted that at the time of this audit, there was no clear service plan or specification setting out the Sheltered Housing services provided or expected outcomes. Further, there was a lack of operational procedures or robust performance monitoring which makes it difficult to demonstrate that the Council is delivering an efficient and effective service.
- ▶ We raised a number of recommendations to address the findings identified by this review with the aim to positively improve the control environment and aid the Council in effectively managing its risks.
- ▶ Overall, we provide limited assurance on the design of controls and moderate assurance on the operating effectiveness of the controls in place.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Sheltered housing governance</b></p> <p>a) Operational policies and procedures should be documented in a procedure manual or equivalent. All operational procedure notes should include version control information and be periodically reviewed and updated. The procedures should include copies of all standard forms, templates and checklists expected to be used together with guidance on their completion and general documentation standards.</p> <p>b) As part of the documentation of operational procedures, guidance and instructions should be provided on undertaking initial assessments and determining support requirements, including frequency of visits, referrals to other agencies and any other support services to be provided. This should include documentation and evidence requirements. Guidance should distinguish between cases requiring relatively low-level support and those with multiple or complex needs.</p> <p>c) Procedures should be supplemented with staff training on needs assessment and support planning where necessary.</p> <p>d) Training needs analysis should be undertaken, and appropriate and relevant training developed and delivered to all Sheltered Housing staff and other housing teams.</p> <p>e) The Allocation Policy should be reviewed to include provision for temporary accommodation for those deemed not able to live independently.</p>	<p>High</p>	<p>We will undertake an exercise to identify all processes and procedures to ensure each one is captured. Where possible, procedures will be aligned with Estates Management and all documents will be stored centrally for services within housing to access and use.</p> <p>Training will be undertaken for staff to ensure they understand their responsibilities and how to conduct tasks.</p> <p>The allocations policy has recently been reviewed, however we will look to amend this to include more information around those who are deemed not able to live independently. If someone is deemed unable to live independently then we would have to work with other agencies.</p>	<p>Corporate Manager - Housing Estates Dec 2023</p>
<p><b>2. Record management</b></p> <p>a) Management should ensure that the Sheltered Housing processes are automated as much as possible using the currently available systems.</p> <p>b) Staff should be trained, and relevant user manuals put in place</p>	<p>High</p>	<p>We are currently looking at the use of digital apps and additional modules on our housing management systems that will create digital processes some of which can be automated or shortened by the use of</p>	<p>Team Leader Estates management and Senior housing officer March 2024</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
to provide a reference point and support on a daily basis.		<p>live inputting data. We will continue to develop this piece of work until all relevant modules are implemented.</p> <p>In order to mitigate in the interim, we will introduce digital forms to reduce the amount of paper documents being completed, data inputted onto the system and any data protection breaches.</p>	
<p><b>3. Sheltered housing assessments</b></p> <p>a) Management should ensure that supporting Housing Assessment (SHA) is in place for all applicable cases and a copy is uploaded to Locata.</p> <p>b) Ensure that the support plan template is reviewed and updated in line with the current service requirements and specification.</p>	Medium	<p>All new cases will now have a sheltered housing assessment stored on Locata which will then be transferred to personal (virtual) housefiles upon acceptance of a property.</p> <p>The support plan and sheltered housing assessments will be reviewed to include more relevant and in depth information to allow officers to support the most vulnerable residents effectively.</p>	<p>Corporate Manager - Housing Estates September 2023</p>
<p><b>4. Approval of Housing Business Continuity Plan</b></p> <p>Management should ensure that the Housing Service Business Continuity Plan is approved as soon as possible and disseminated to all relevant staff.</p>	Medium	<p>The current Business Continuity plan will be reviewed and any required changes made. We have an active one in the interim that can be accessed by all Housing staff.</p>	<p>Corporate Manager - Housing Estates December 2023</p>
<p><b>5. Inspections and repairs</b></p> <p>a) Ensure that clear communication links are established and documented for various information flows within and between the teams.</p> <p>b) The support plan review incorporates some additional questions in relation to basic needs.</p> <p>c) All jobs are completed in line with the agreed time frames. Where</p>	Medium	<p>Officers will look at new processes and workflows on digital systems to ensure jobs are recorded, logged and sent to the correct person. Monthly meetings to discuss any ongoing repairs can be set up to assist with the communication processes.</p>	<p>Corporate Manager - Housing Estates and Corporate Manager - Technical Services (interim) September 2023</p>



Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>delays are unavoidable, the reasons for those should be clearly documented.</p> <p>d) Completion of repairs are subject to regular monitoring and scrutiny. Any repairs completed after their due date should be investigated and discussed with Axis Europe.</p>		<p>Closer monitoring of the performance of the repairs contractor will be implemented through the weekly and monthly meetings including actions agreed being tracked until completion.</p>	
<p><b>6. Raising, recording and tracking of onsite communications</b></p> <p>a) Review current arrangements for raising and recording and tracking of onsite communications and develop appropriate process to ensure investigation and follow up and closure including roles and responsibilities, escalation routes, recording etc. This could form part of the procedures (recommendation 1 refers).</p> <p>b) Ensure that all relevant staff are trained in how to handle onsite communications of issues and other relevant matter which warrant an investigation.</p>	<p>Medium</p>	<p>As part of the ongoing work into improving the digital processes, we will look at modules for our housing management system which allow for instant input of information on site, workflow tasks to the correct department, and track when tasks have been completed.</p> <p>All staff will receive training on new systems and refresher training on existing systems.</p>	<p>Team Leader Estates management and Senior housing officer March 2024</p>
<p><b>7. Management information</b></p> <p>a) Management should ensure that a formal service specification or plan setting out the overall aims and objectives of the Sheltered Housing service, expected outcomes and detailed description of the services provided is developed.</p> <p>b) A set of metrics in relation to Sheltered Housing should be defined and agreed and regularly monitored and reported on to senior management to capture performance, emerging risks and issues, to aid decision making. KPIs should be linked to service aims and objectives and cover both inputs and outcomes and each KPI should have a clear definition and realistic target.</p>	<p>Medium</p>	<p>This work has already begun with the development of a Sheltered Housing Handbook. This can be adapted to be solely the aims and objectives of Sheltered accommodation and a description of the works undertaken.</p> <p>In addition, we will review the current bank of KPIs and research industry standards to improve the KPIs we report on to make them more relevant and monitorable.</p>	<p>Corporate Manager - Housing Estates September 2023</p>

# POLICY REVIEW

## CRR REFERENCE: CYCLICAL REVIEW

Design Opinion	M Moderate	Design Effectiveness	M Moderate
Recommendations	0 1 0		

**SCOPE**

**BACKGROUND**

- ▶ The adoption of sound and up to date policies and procedures is a key control contributing to the Council’s ability to meet its objectives and comply with legislative requirements and good practice.
- ▶ There is a central document library where the Council’s policies are stored, and individual Services are responsible for reviewing and updating their policies when necessary. However, a number of our internal audit reviews over the last few years have raised concerns that policies are not always regularly reviewed to ensure that they remain up to date. We have also noted instances where policies contain redundant references to other policies, documents, and legislation.
- ▶ During 2022/23 the Council entered into a strategic partnership with Rochford District Council and as part of the One Team Transformation Programme, the Councils are looking to introduce new, rebranded set of standard policy templates and guidance to fit with the overall direction of the Councils and their approach to policy management.
- ▶ As part of this process, the Councils will need to determine if they will continue with separate policies or look to form joint policies in areas where services have merged.

**PURPOSE**

- ▶ Review of the adequacy and effectiveness of policy management processes to ensure that the Council’s policies remain up to date, relevant and appropriate.

**AREAS REVIEWED**

- ▶ We assessed the Council’s current and proposed processes for maintaining, reviewing, and approving its policies.
- ▶ We reviewed the accessibility and completeness of the Council’s central directory.
- ▶ We reviewed the Council’s suite of policies and confirmed whether policies are supported by (i) owner(s) (ii) frequency of review (iii) date of last review with a log of changes made.

**AREAS OF STRENGTH**

We identified the following good practice:

- ▶ The Council’s policies are stored and readily accessible to all staff on its intranet. For other internal policies not yet transferred to the new intranet, these are currently listed in a central document library.
- ▶ The Council’s proposed policy approval process is sufficiently robust. Final versions of draft policies will be presented to CLT for approval prior to Committee approval (if required). If approved, the policy will be presented to Committee Members for final authorisation and adoption. The policy will then be published on the Council’s website and intranet.
- ▶ The Council’s proposed draft policy template fulfils all criteria we would expect to see in a formal policy and aligns with sector good practice. This includes the policy author, accountable director, responsible member, date of approval and by the Corporate Leadership Team (CLT)/Committee and policy review date.

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- ▶ The Project and Programme Manager is also in the process of developing a policy review timetable/policy register that lists all the policies in place, location, author, sponsor, approval, published date, review date and expiry date. Once complete, the policy review timetable will be presented to the CLT for approval and the monitoring of policy review cycles will be overseen by herself and the rest of the team.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ The current suite of policies is not consistently supported by policy owners. Furthermore, there is a lack of clarity regarding assigned responsibility for individual policies. Policies are not always subject to periodic review and senior leadership approval, to ensure they remain up-to-date and in line with the relevant legislation and good practice. **(Finding 1 - Medium)**



## CONCLUSION

- ▶ Whilst our testing identified a number of inconsistencies and inefficiencies in the current policy review arrangements, as part of the partnership working the Council has already developed draft policy templates and new processes in place to address the identified weaknesses.
- ▶ As a result of our review, we provide moderate assurance over the design and operational effectiveness of the Council's arrangements in place to support the management of its policies.
- ▶ We have raised one medium priority recommendation to ensure that the new processes and templates are finalised and implemented effectively and in line with Council process.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Incomplete policies</b></p> <p>a) The draft Policy Template and Policy Register currently in development should be presented to CLT/ELT for review and approval as soon as it is complete. Once approved, the Council should update all existing and new policies to this new format to ensure that all policies have all necessary details as soon as practically possible.</p> <p>b) Responsibility for maintaining the policies, including timely review and updates, should be clarified, documented and disseminated to all relevant staff.</p>	<p>Medium</p>	<p>a) The draft policy approval process, templates and policy register are due to be presented to CLT on 28 June 2023. Following this, the above will be rolled out to the wider organisation and RDC. A rolling review of the policies on the policy register, starting with those most out of date and those of higher priority, will ensure that all policies on the register are revised and refreshed in line with the new format or rescinded in a timely way. Given the large number of policies to review, this will take some time to fully implement, likely some 12-18 months.</p> <p>Further it needs to be accepted that both Brentwood and Rochford will be considering their policies as part of service reviews and where appropriate these will be brought together. Therefore, whilst it is essential that we review the policies in line with the recommendations, we also need to consider the overriding need to work to a wider requirement.</p> <p>b) A procedure document will be provided to all</p>	<p>Project and Programme Manager</p> <p>a) June 2023 - Dec 2024</p> <p>b) July 2023</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
		<p>relevant staff outlining the new policy process, setting out clear expectations of policy authors, sponsors and those maintaining the policy register, not only for approval of new policies but the timely review of existing policies. This procedure, along with all policy templates and the policy register will be made available via the intranet.</p>	

# ENVIRONMENT - FLY TIPPING, STREET CLEANING AND ENFORCEMENT

## CRR REFERENCE: CYCLICAL REVIEW

Design Opinion	M	Moderate	Design Effectiveness	M	Moderate
Recommendations	0	3	0		



### SCOPE

#### BACKGROUND

- ▶ The Environmental Protection Act 1990 imposes a duty on local authorities to keep specified land and public highways clear of litter and refuse so far as practicable. A Code of Practice on Litter and Refuse is issued under section 89 (7) of the 1990 Act. The Code defines standards of cleanliness and sets out how quickly differing types of land should be returned to a set cleanliness standard.
- ▶ Fly tipping or the unauthorised dumping of waste is an environmental crime. We are informed that there are on average three fly tips every day in Brentwood. They are usually carried out in the quiet rural areas and can vary in size and nature. Fly tipping is not just unsightly, it can also be harmful to people and the environment if the waste that is dumped illegally is not biodegradable or if it contains hazardous materials.
- ▶ The duty to enforce fly tipping within the Council lies with Environmental Services. The Corporate Enforcement team, which sits under the Housing and Enforcement directorate, supports Environmental Services in this process.
- ▶ The Council's new Environment Strategy 2022/25 highlights that the environmental agenda is much wider than tackling 'traditional problems' such as littering and fly tipping, although they also have a part to play and there is a need to continue implementation of initiatives to combat littering and fly tipping to reduce the impact on wildlife.
- ▶ We carried out an Environment audit in October 2020, which identified that improvements were required in overall management of health and safety risks, the risk assessments review process, defined roles and responsibilities, site visit reviews and the monitoring of health and safety incidents.

#### PURPOSE

- ▶ The purpose of the audit was to review the Council's arrangements for keeping streets clean, including health and safety risk assessments and enforcement activity.

#### AREAS REVIEWED

- ▶ We confirmed whether health and safety policies are appropriate, available to all staff and regularly reviewed and updated. We also reviewed the risk assessment protocols in place to ensure that risks are identified, scored and mitigated.
- ▶ We reviewed street cleansing schedules and formal work plans highlighting areas to be cleaned on a daily, weekly and monthly basis and task management processes used to register, allocate and manage planned and ad hoc requests for street cleansing.
- ▶ We selected a sample of incidents/complaints to assess whether appropriate actions were taken following the reporting of a complaint.
- ▶ We reviewed the monitoring arrangements in place to assess whether regular performance reports are prepared, including all accidents, incidents and near misses; and that reports are presented to the appropriate monitoring committees, with follow up of actions raised.

- ▶ We confirmed if defined enforcement protocols were in place and if they considered the Code of Practice on litter and refuse guidance and highlight appropriate actions to be taken for cleansing or fly tipping incidents.
- ▶ We confirmed whether staff involved in fly tipping enforcement have completed induction and refresher training or relevant continual professional development to ensure compliance with current legislation (including RIPA).
- ▶ We reviewed the risk profiling processes in place that identify areas with high activity of littering or fly tipping incidents, to assess whether enforcement is carried out where required, within appropriate timeframes and follow up action taken.
- ▶ We selected a sample of enforcement activity to assess whether they were carried out in accordance with the Council's policies/protocols.



## AREAS OF STRENGTH

We identified the following good practice:

- ▶ Daily patrols are undertaken across the borough dealing with fly tipping, littering, abandoned vehicles, early presentation of waste and supporting the wider team where possible.
- ▶ The Council uses the Services of the enforcement of National Enforcement Solutions (NES) for investigation and enforcement of fly tipping and duty of care has been undertaken by acting as a contractor for Brentwood Council who have been issuing fixed penalties for fly tipping offences.
- ▶ NES provides a full team to Brentwood at no cost to support the Council's waste enforcement function. NES provides regular waste reports to enable prompt clearing of the identified waste as well.
- ▶ Community Safety Key Performance Indicator's 2022/23 were in place and reported as part of the Chair's update to the Community, Environment & Enforcement Committee. The KPIs included numbers of Joint Patrols (including with NES) and FPN's (Fixed Penalty Notices) for litter and fly tipping.
- ▶ In addition, regular operational management information in relation to fly tipping, by ward and cost is also produced and scrutinised.
- ▶ The Council's risk assessment processes for Fly Tipping and Street Cleansing service were found to be robust, accessible and transparent with clear information on risks identified, consequences and mitigating controls.
- ▶ An action tracker was also maintained and acts as a record to support the implementation of controls and supporting evidence that the action was successfully completed. This tracker is monitored and discussed at Depot H&S meetings.
- ▶ Work schedules were being used by the Street Care Team, to document daily/weekly operations for different activities and record the progress made. Our review of these schedules identified that these were developed using a structured approach with time frames attached to the work schedules to ensure that the activity was completed within the response times allocated. Once completed, the schedules are returned at the end of the day/week and signed off as completed. They are then scanned and saved in the shared drive.
- ▶ Staff involved in fly tipping enforcement have completed all required and relevant training including RIPA training.
- ▶ A weekly briefing document is maintained to monitor areas with high activity of littering and fly tipping incidents. Hotspot locations and emerging trends are identified and recorded. This document is updated each week by the Corporate Manager for Community Safety.
- ▶ Enforcement activity is appropriately carried out and actively monitored. We reviewed a sample of five fly tipping cases that have been investigated and noted that a Fixed Penalty Notice (FPN) had been issued in all cases within a timely manner of the issue being reported and had been recorded as paid. Appropriate evidence was also retained in all five cases.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ Both the Council's Health & Safety policy and Environmental Health Enforcement policy are out of date and have not been reviewed in line with the agreed process. **(Finding 1 - Medium)**
- ▶ There are area cases where fly tipping is removed before adequate evidence can be secured to identify and perpetrator. In addition, our sample testing of fly tips confirmed that not all cases were cleared within 15 days of the fly tip being reported, the average time to resolve the cases we reviewed was 26 days. **(Finding 2 - Medium)**
- ▶ There are no formal and documented procedures/protocols in place that provide guidance on how workload is scheduled, conducted, completed, managed and how resources are allocated. **(Finding 3 - Medium)**



## CONCLUSION

- ▶ Our review identified a number of areas where current controls could be strengthened further and these related to additional training around preserving fly tipping evidence, updating of the overarching policy documentation and developing and formalising Street Cleaning teams' procedures and protocols.
- ▶ This has led to a moderate assurance over the design and the operational effectiveness of the Council's arrangements in relation to its Street Cleaning, Fly Tipping & Enforcement activity.
- ▶ We have raised three medium priority recommendations.



MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Review of policies</b></p> <p>Management should ensure that both policies, Health &amp; Safety and Environmental Health Enforcement Policy are reviewed and updated to reflect the current arrangements and clarify roles and responsibilities around enforcement processes for littering and fly tipping and other related matters.</p>	<p>Medium</p>	<p>The Health, Safety and Wellbeing Policy for 2023 as advised in the Finding section, and discussed above, is currently being produced. A copy will be provided once completed and approved by Committee, to demonstrate the above recommendation has been addressed and completed.</p> <p>The Environmental Health Enforcement Policy will also be updated.</p>	<p>Director Assets and Investments and Director Communities and Health September 2023</p>
<p><b>2. Clearing of fly-tips</b></p> <p>a) Management should develop a toolbox training for the depot / waste collection teams, which will include securing relevant and adequate evidence of the fly tipping and why it is necessary.</p> <p>b) The Council should ensure that all fly tips are cleared within 15 days of the fly tip being reported. Any unresolved cases should be actively monitored to ensure that FPNs are paid and whether further action needs to be taken to recover this debt.</p>	<p>Medium</p>	<p>Active monitoring of fly-tips to take place, priority given to those close to exceeding 15-day limit.</p>	<p>Director of Environment April 2024</p>
<p><b>3. Protocols and working practices</b></p> <p>a) The Council should conduct a detailed review of the services provided by the Street Care team (SCT) under the Environmental Protection act.</p> <p>b) A detailed service specification document should be developed identifying the roles and responsibilities of the SCT, service areas, tasks and activities they conduct on day-to-day basis, service delivery standards, response times and monitoring activities in compliance with the</p>	<p>Medium</p>	<p>Full Review of Steet Cleansing Service required to produce schedule in accordance with revised Code of Practice</p>	<p>Director of Environment April 2024</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>revised Code of Practice (COP), published in September 2019.</p> <p>c) The Street Care team should develop comprehensive protocols or procedures, providing guidance on their activities and current working practices, in consultation with employees and unions. The protocols should include the management of their annual work plan, development of work schedules, management and allocation of resources, completion of work schedules by staff on a daily basis (including signing and dating), monitoring of the work schedules and documenting completion against the annual work plan.</p> <p>d) Management should also conduct random spot checks on a sample of work schedules at appropriate intervals, to ensure that the work is completed as stated and spot-checking templates should be developed to document the monitoring activities and formal evidence is retained for review and audit purposes.</p>			

# LEISURE SERVICES

## CRR REFERENCE: RSK 8: LEISURE STRATEGY

Design Opinion	M Moderate	Design Effectiveness	M Moderate
Recommendations	0 4 0		



### SCOPE

#### BACKGROUND

- ▶ Brentwood Borough Council works to promote the health, and wellbeing of Brentwood's communities. Its focus is to secure the best possible health outcomes for all residents and those visiting the Borough for work and leisure. The Council seeks to ensure that local views are fed into the overarching Essex Strategy but are dealt with locally. The Council actively promotes public health and the joining up of resources and supports integrated health and social care service delivery to the people of Brentwood.
- ▶ The Council's 2021-2022 Annual Review reports on its ongoing commitment to doing things differently, innovatively and in partnership with others, including its strategic partnership with Rochford District Council. Also, the Council's strategic plans are based on five key priorities:
  - Growing our economy
  - Protecting our environment
  - Developing our communities
  - Improving housing
  - Delivering an efficient and effective Council.
- ▶ The Brentwood Leisure Centre, managed for the Council by Sports Leisure Management operating under Everyone Active since October 2021, features a range of sports and leisure facilities to help the local community enjoy staying active. These include a recently refurbished gym, two swimming pools, a group fitness studio, a holistic studio, sports hall, meeting room, outdoor artificial 3G pitch and a beach volleyball area. The Brentwood Centre is also available to hire for events.
- ▶ The Council has a five-year Play Area Strategy 2019-24 which sits under the Council's overarching Leisure Strategy. The Council has opened new leisure facilities at Warley, Courage's Playing Fields, River Road, Bishops Hall Park, Hutton Recreation, and King George's Playing Fields (KGPF). In 2021-22, the Council opened KGPF Phase 3 Senior. Further plans exist to consider new play area sites at North Road, Crescent Road, Ingrave Johnson and Bishops Hall Park in 2023-24.

#### PURPOSE

- ▶ The purpose of the audit is to review the adequacy and effectiveness of the key processes in place to deliver the Leisure Strategy and underlying action plans.

#### AREAS REVIEWED

- ▶ We reviewed the existing Leisure Strategy in light of changes following COVID 19, the formal strategic partnership with Rochford District Council and the Council's key objectives for 2022/23. We also reviewed the governance framework underpinning the Leisure Strategy, including the Leisure Strategy Working Group and the principles, policies, and procedures in place supporting roles, responsibilities, and accountabilities.
- ▶ We reviewed risk identification processes in relation to leisure services, including financial, reputational, safeguarding, and service delivery risks, those relating to the operator of the Brentwood Leisure Centre, and the Phase 3 facilities at KGPF and the underlying mitigations identified in operational plans and maintenance programmes.

- ▶ We reviewed the feasibility studies undertaken on the development opportunities at the Brentwood Leisure Centre, including the Football Hub, and underlying assumptions and data allowing for informed decision making in line with the overall strategy for development opportunities, and whether there has been consideration of demand and exit strategies.
- ▶ We reviewed the consistency of existing progress and performance monitoring reporting that ensures Divisional Management and the Leisure Strategy Working Group have adequate oversight.
- ▶ We reviewed the leisure services management training and guidance for staff that should assist them in providing high-quality customer service and identifying service incidents, issues and opportunities for improved revenue generation and growth.



## AREAS OF STRENGTH

We identified the following good practice:

- ▶ The Council has a clear and comprehensive Leisure Strategy, that was approved in 2018 and refreshed in 2021. It is one of the key strategies set out in the Corporate Strategy 2025. There is also a five-year Play Area Strategy 2019-24 which sits under the overarching Leisure Strategy and covers how the borough's 38 play areas are managed and maintained, including the facilities at KGPF.
- ▶ The Leisure Strategy is aligned to the Local Development Plan and Asset Management Strategy.
- ▶ A refreshed Leisure Strategy 2020-28 was presented to the Community and Health Committee on 28 June 2021, when it was agreed that an annual report and action plan would be presented to the Community and Health Committee to update on progress.
- ▶ The Head of Leisure Services has provided an annual update on progress of the Leisure Strategy to relevant committees against the six key workstreams: built facilities; open spaces; play areas; sport; health and wellbeing; and leadership, management and oversight. There is an agreed annual timetable to ensure there is effective oversight. Significant projects within the strategy have had separate reports presented to the Leisure Strategy Working Group, Community and Health Committee, Community Environment and Enforcement (CEE) Committee, as well as to the Audit and Scrutiny Committee.
- ▶ Sports and Leisure Management Limited (SLM) operating under Everyone Active, which has had direct control of the Brentwood Leisure Centre since 1 October 2021, provides performance/KPI reports to the Council and there are regular meetings between the parties.



## AREAS OF CONCERN

Our work highlighted the following areas of concern:

- ▶ **Risk register:** No risk identification exercise with specific focus on risks to the achievement of the leisure services strategic objectives has been undertaken. *(Finding 1 - Medium)*
- ▶ **Feasibility study:** There has been no formal consideration of an exit strategy for the Brentwood Leisure Centre and Football Hub business activities, or review and approval of the sufficiency of an associated sinking fund for the replacement of assets when they reach the end of their expected lifespan in future years. *(Finding 2 - Medium)*
- ▶ **Performance monitoring/KPIs:** We were unable to obtain access to the working papers or system data supporting the performance monitoring/KPI reporting received from Everyone Active, or the Open Book Accounting data. There are no arrangements in place to validate any of the key measures and underlying system data, for example attendance figures, membership figures, and job costs for works undertaken and new initiatives reported by the Brentwood Centre operator, to ensure there is effective oversight by officers. In addition, there are no clear performance management monitors/KPIs in place for the Brentwood Centre operator covering leadership, management and oversight. There are also no arrangements for the Council to perform checks on the quality of leisure services

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being offered, for example through staff posing as secret customers. (*Finding 3 - Medium*)

- ▶ **Management and staff training and development:** There is no tracking or monitoring of mandatory and development training for Council staff and Everyone Active, including health and safety, equality, safeguarding, and customer services best practice. There are also no policies and procedures readily accessible for the benefit and guidance of Council staff and Everyone Active. (*Finding 4 - Medium*)



## CONCLUSION

- ▶ We have raised four medium priority recommendations to improve the Council's controls over leisure services. These relate to the need for a comprehensive risk register; a feasibility study for an exit strategy for the Brentwood Leisure Centre and Football Hub business activity, including scrutiny of the associated sinking fund; access to the underlying data for the performance monitoring/KPI reporting received from Everyone Active; and tracking and monitoring of training for Council staff and Everyone Active, as well as the need for documented policies and procedures in this area.
- ▶ Consequently, we conclude moderate assurance over the design and moderate assurance over the operational effectiveness of the controls in place to enable the leisure services to fulfil its strategic aims.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>1. Risks register</b></p> <p>a) A risk identification exercise should be undertaken with specific focus on identifying risks to the achievement of the leisure services strategic objectives. This exercise should ensure that risks are considered for all stated strategic objectives and that all identified risks are assigned to one or more strategic objective.</p> <p>b) Leisure services risks should be collated in a risk register and evaluated/scored and managed in accordance with the Council's overall Risk Management Strategy.</p>	<p>Medium</p>	<p>The Delivery of the Leisure Strategy is on the Council's Operational Risk Register. The Council can look at splitting the risks out around the six workstreams of the Leisure Strategy (including accountable officers) and evaluated/scored and regularly reviewed</p>	<p>Corporate Manager - Community, Leisure and Health July 2023</p>
<p><b>2. Feasibility studies</b></p> <p>a) Officers should consider carrying out a feasibility study to inform the development of a potential exit strategy from the Brentwood Leisure Centre and Football Hub facilities and activities, which should include plans to value the saleability of these assets in future years.</p> <p>b) As part of budget setting, officers should review the sufficiency of the sinking fund for the replacement of facilities when they reach the end of their expected lifespan.</p>	<p>Medium</p>	<p>a) The Council established an internal working group when Brentwood Leisure Trust went into liquidation. The Council, as part of the new leisure contract that will commence in April 2025, will develop a high-level business continuity/exit plan.</p> <p>b) The sinking fund amount will be informed by the Memorandum of Understanding and the financial contributions that are being made by the various parties that will be part of the Football Hub development.</p>	<p>Corporate Manager - Community, Leisure and Health a) September 2023 b) December 2023</p>
<p><b>3. Performance monitoring</b></p> <p>a) Obtain access to the working papers and system data supporting the key figures and measures reported by the Brentwood Centre operator, Everyone Active, and</p>	<p>Medium</p>	<p>a) The Council will liaise with the current operator to look at accessing the data supporting key figures and measures that are reported as part of</p>	<p>Corporate Manager - Community, Leisure and Health July 2023</p>

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>their Open Book Accounting system data.</p> <p>b) Implement a process to periodically validate a sample of the accounts and underlying system data for key measurements included in the progress and performance monitoring reports received from Everyone Active. These checks should cover attendance figures, membership figures, and job costs for works undertaken and new initiatives.</p> <p>c) There should be clear performance management monitors/KPIs in place for the Brentwood Centre operator covering leadership, management and oversight to ensure transparent and consistent monitoring and to drive the achievement of desired outcomes.</p> <p>d) Implement a process for quality checks over leisure services, including staff posing as secret customers and running through a series of requests for tasks to determine the quality of leisure services offered.</p>		<p>the monthly client meetings.</p> <p>b) The Council at the monthly client meetings will ask for deep dive into the figures presented by the leisure operator if there are dramatic changes to any of the figures, to understand the context behind it. Works such as interior painting by the operator can proceed without the Council's permission. Where works are required such as new toilets, then the priorities for the Brentwood Centre are mutually agreed by the Council and the Operator and capital budgets allocated.</p> <p>c) The Council will liaise with the current leisure operator to look at additional performance measures on their own leadership, management, and oversight to enable the delivery of the desired outcomes, which can include staff training programme undertaken and Quality Assurance on the monitoring.</p> <p>d) Officers from the Council will work with the Leisure Operator to look at satisfaction surveys or other quality assurance checks to ensure that the services remain of a high quality.</p>	

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p><b>4. Training and guidance</b></p> <p>a) Leisure services should track and monitor all mandatory staff training and development, covering both Council staff and Everyone Active staff.</p> <p>b) Consider whether there is a need to develop or update any leisure services specific guidance, policies and procedures and that these are readily accessible to Council staff and Everyone Active.</p>	<p>Medium</p>	<p>a) Currently the Council monitors staff training departmentally and through e-learning platforms. The HR department is looking at creating a central register of staff training.</p> <p>b) The Council will liaise with Everyone Active and investigate whether there is a need to develop any leisure specific policies and if so that these will be readily available to staff as part of the document library.</p>	<p>Corporate Manager - Community, Leisure and Health</p> <p>a) December 2023</p> <p>b) September 2023</p>



# KEY PERFORMANCE INDICATORS

QUALITY ASSURANCE	KPI	RAG RATING
1. Annual Audit Plan delivered in line with timetable.	The timing of a number of audits was delayed due to a delay in approving the audit plan for the year. 2 out of 13 audits have not been completed before the issue of our Annual Report and have been deferred into 2023/24.	A
2. Actual days are in accordance with Annual Audit Plan.	The days associated with the deferred audits will be carried out in 2023/24.	A
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 positive	G
4. Annual survey to Audit Committee to achieve score of at least 70%.	Annual survey for 2022/23 not yet completed.	N/A
5. At least 60% input from qualified staff.	This KPI has been met in audits completed.	G
6. Issue of draft report within 3 weeks of fieldwork 'closing' meeting.	This KPI has been met for 10 out of 11 audits (see table below).	A
7. Finalise internal audit report 1 week after management responses to report are received.	This KPI has been met for 10 out of 10 audits (see table below).	G
8. Positive result from any external review.	Following an External Quality Assessment by the Institute of Internal Auditors in May 2021, BDO were found to 'generally conform' (the highest rating) to the International Professional Practice Framework and Public Sector Internal Audit Standards	G
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 5 out of 11 audits (see table below). The KPI regarding draft report has been met for 4 out of 10 audits. (see table below).	R
10. Audit sponsor to implement audit recommendations within the agreed timeframe.	Of the 34 high and medium priority recommendations raised in 2022/23, 2 have been completed, 1 is in progress and the rest are not yet due.	A
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.	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.	G

**AUDIT TIMETABLE DETAILS (2022/23 AUDITS)**





Audit	Draft TOR issued	Management response to TOR received	Closing meeting	Draft report issued	Management response to draft report received	Final report issued
Main Financial Systems	24/01/23	24/01/23 (KPI 9 met)	19/05/23	29/05/23 (KPI 6 met)	15/06/23 (KPI 9 not met)	21/06/23 (KPI 7 met)
Payroll Shared Service	17/03/23	29/03/23 (KPI 9 not met)	18/05/23	31/05/23 (KPI 6 met)	19/06/23 (KPI 9 not met)	21/06/23 (KPI 7 met)
Partnership with Rochford	23/12/22	12/01/23 (KPI 9 not met)	19/06/23	23/06/23 (KPI 6 met)	TBC	TBC
Policy Review	15/02/23	09/05/23 (KPI 9 not met)	09/05/23	30/05/23 (KPI 6 met)	12/06/23 (KPI 9 met)	12/06/23 (KPI 7 met)
Cyber Security	16/09/22	29/09/22 (KPI 9 not met)	20/01/23	06/02/23 (KPI 6 met)	16/02/23 (KPI 9 met)	23/02/23 (KPI 7 met)
Climate Change (Advisory Review)	25/01/23	02/02/23 (KPI 9 not met)	17/03/23	04/04/23 (KPI 6 met)	24/04/23 (KPI 9 not met)	26/04/23 (KPI 7 met)
Sheltered Accommodation	28/11/22	05/12/22 (KPI 9 met)	14/05/23	19/05/23 (KPI 6 met)	14/06/23 (KPI 9 not met)	21/06/23 (KPI 7 met)
Environment - Street Cleansing, Fly Tipping and Enforcement	02/12/22	02/12/22 (KPI 9 met)	03/05/23	31/05/23 (KPI 6 not met)	15/06/23 and 27/06/2023 (KPI 9 not met)	28/06/23 (KPI 7 met)
Leisure Services	08/02/23	13/02/23 (KPI 9 met)	07/06/23	14/06/23 (KPI 6 met)	27/06/23 (KPI 9 met)	28/06/23 (KPI 7 met)
Licensing	28/11/22	01/12/22 (KPI 9 met)	02/03/23	16/03/23 (KPI 6 met)	21/04/23 (KPI 9 not met)	24/04/23 (KPI 7 met)
Democratic Services	10/03/22	08/04/22 (KPI 9 not met)	10/01/23	11/01/23 (KPI 6 met)	11/01/23 (KPI 9 met)	13/01/23 (KPI 7 met)

**KEY FOR RAG RATING:**




-  = met target
-  = partly met target
-  = not 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.

## RECOMMENDATION SIGNIFICANCE DEFINITION

RECOMMENDATION SIGNIFICANCE	
 <b>High</b>	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
 <b>Medium</b>	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
 <b>Low</b>	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.



**FOR MORE INFORMATION:**

**GREG RUBINS**

Greg.Rubins@bdo.co.uk

**JANINE COMBRINCK**

Janine.Combrinck@bdo.co.uk

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