

Meeting of: Audit & Accounts Committee

Date: 9th March 2022

Time: 6.30pm

Venue: Council Chamber, The Business Centre, Futures Park, Bacup, OL13 0BB

***This meeting will be accessible in the Council Chamber for essential attendees (elected councillors, supporting officers and members of the public with a registered question). All other access will be by remote observation as detailed below.**

To observe the meeting, please use the Zoom link below (please allow time for set up if accessing for the first time):

<https://us06web.zoom.us/j/95072643870?pwd=Y0lBdGtHS0xZUUNTZmQ3VEFwcVZkZz09>

Meeting ID: **950 7264 3870**

Passcode: **265981**

A waiting room will be in place and observers will be admitted to the meeting at approx. 6.30pm.

Supported by: Glenda Ashton, Committee and Member Services Officer Tel: 01706 252423

Email: glendaashton@rossendalebc.gov.uk

ITEM		Lead Member/Contact Officer
A.	BUSINESS MATTERS	
A1.	Apologies for Absence	
A2.	Minutes of the last meeting To approve and sign as a correct record the Minutes of the meeting held on 1 st December 2021	
A3.	Urgent Items of Business To note any items which the Chair has agreed to add to the Agenda on the grounds of urgency.	
A4.	Declarations of Interest <i>Members are advised to contact the Monitoring Officer in advance of the meeting to seek advice on interest issues if necessary.</i> Members are requested to indicate at this stage, any items on the agenda in which they intend to declare an interest. Members are reminded that, in accordance with the Local Government Act 2000 and the Council's Code of Conduct, they must declare the nature of any personal interest and, if the interest is prejudicial, withdraw from the meeting during consideration of the item.	Glenda Ashton, Committee and Member Services Officer Tel: 01706 252423 Email: glendaashton@rossendalebc.gov.uk
B.	COMMUNITY ENGAGEMENT	
B1.	Public Question Time	

The agenda and reports are also available for inspection on the Council's website <https://www.rossendale.gov.uk/>. Other formats are available on request. Tel 01706 217777 or contact Rossendale Borough Council, Futures Park, Bacup, OL13 0BB

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ITEM		Lead Member/Contact Officer
	<p>Members of the public can register their question by contacting the Committee Officer. Groups with similar questions are advised to appoint and register a spokesperson.</p> <p>This is an opportunity to ask a question about a matter which the Council may be able to assist with. A time limit of 3 minutes applies for each question and you are only able to address the meeting once.</p> <p>To register for public question time your question must be received no later than 12noon on the day of the meeting by emailing democracy@rossendalebc.gov.uk Please give your full name, telephone number and include a copy of your question.</p> <p>Please begin by giving your name and state whether you are speaking as an individual member of the public or as a representative of a group. (Question time normally lasts up to 30 minutes).</p>	<p>Lead Member/Contact Officer</p> <p>Glenda Ashton, Committee and Member Services Officer 01706 252423 glendaashton@rossendalebc.gov.uk</p> <p>Please register an agenda related public question by emailing democracy@rossendalebc.gov.uk no later than 12noon on Wednesday 9th March 2022</p>
C.	<p>Chair's Update To receive communications from the Chair</p>	Councillor Marriott
D.	ORDINARY BUSINESS	
D1.	Corporate Risk Report Q3 2021/22	Karen Spencer, Head of Finance karens pencer@rossendalebc.gov.uk
D2.	Internal Audit Progress Report Q3 2021/22	Mark Baskerville Lancashire County Council mark.baskerville@lancashire.gov.uk
D3.	Internal Audit Annual Audit Plan 2022/23	Mark Baskerville Lancashire County Council mark.baskerville@lancashire.gov.uk
D4.	External Audit Progress Report - Mazars	Amelia Salford, Mazars Amelia.Salford@mazars.co.uk
D5.	External Audit Progress Report – Grant Thornton – verbal report	Sophia Iqbal, Grant Thornton Sophia.S.Iqbal@uk.gt.com
E.	<p>EXCLUSION OF PUBLIC AND PRESS To consider passing the appropriate resolution under Section 100 (A)(4) of the Local Government Act 1972 that the press and public be excluded from the meeting during consideration of the following item of business since it involves the likely disclosure of exempt information under Paragraphs 1 and 2 of Schedule 12A of the Act.</p>	

ITEM		Lead Member/Contact Officer
E1.	Standards Complaints Update (verbal)	Councillor Marriott
E2.	Whistleblowing update (verbal)	Councillor Marriott



Neil Shaw
Chief Executive

Date Published: 1st March 2022

MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE

DATE OF MEETING: 1ST DECEMBER 2021

**PRESENT: Councillor Marriott (Chair)
Councillors S Barnes (sub), Essex, Oakes, Procter and
Woods
Co-opted Member, Mr S McManus**

**IN ATTENDANCE: Ms K Spencer, Head of Finance (S151 Officer), RBC
Ms C Birtwistle, Head of Legal (Monitoring Officer), RBC
Mr C Finn, Finance Manager, RBC
Mr M Baskerville, LCC Internal Auditors
Ms A Salford, Mazars Auditors
Miss G Ashton, Committee Officer, RBC**

ALSO PRESENT: Councillor Walmsley

1. APOLOGIES FOR ABSENCE

1.1 Apologies were received from Councillor Kenyon and Miss S Iqbal, Grant Thornton.

2. MINUTES OF THE MEETING HELD ON 28TH JULY 2021

2.1 In relation to the Fraud Policy, the Chair enquired when this was last reviewed/refreshed. An update would be provided at the next meeting.

RESOLVED:

The minutes of the meeting held on 28th July 2021 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

3.1 The chair confirmed there were no urgent items of business.

4. DECLARATIONS OF INTEREST

4.1 There were no declarations of interest.

5. PUBLIC QUESTION TIME

5.1 No questions had been registered.

6. CHAIR'S UPDATE

6.1 The Whitaker had been approached regarding the possibility of an opposition member joining the Board. They advised that a recruitment process for board members was taking place and a Conservative member could apply. This had been fed back to the group leader.

6.2 In relation to cyber security training for staff, the Council was in the process of reviewing a virtual training course. If suitable, it would be rolled out to staff through the Council's Learning Pool training software.

7. CORPORATE RISK REPORT QUARTER 1 & 2 2021/22

7.1 The Head of Finance presented the report, which asked members to note the Corporate Risk Register as detailed and note the risk consequence, mitigation action and level of risk as detailed in Appendix 1 and Appendix 2.

7.2 In response to comments made it was noted that:

- In relation to Risk 1 on both quarters, a number of factors influenced the likelihood status, these included Empty Homes legal claims, inflation and the staff pay award.
- In relation to Risk 8 Q2, the Head of Finance would provide the staff turnover in percentage terms so it could be compared with Q1.
- In relation to Risk 10, a tender process for the communications plan was currently underway. In the interim, the existing provider was being used. It was anticipated the new contract would be awarded in April 2022.

7.3 Thanks were expressed to the officers who completed the report; it was easier to understand and the addition of mitigating factors assisted members.

RESOLVED:

- That the Audit and Accounts Committee noted the Corporate Risk Register as detailed in the report.
- That members noted the risk consequence, mitigation action and level of risk as detailed in Appendix 1 and Appendix 2.

8. APPOINTMENT OF EXTERNAL AUDITORS

8.1 The Head of Finance presented the report, which asked members to recommend to Full Council to opt into Public Sector Audit Appointments Limited, to act as the appointing person for the appointment of external auditors for Rossendale Borough Council.

8.2 In response to comments made it was noted that:

- The process for appointing Housing Benefits auditors was different; however, it made sense to use the same auditors due to the overlap of work.
- It was noted that Mazars' fees were increasing.
- In relation to Housing Benefits, there were two different models; RBC could complete most of the work and Mazars would review or Mazars could complete the work and review. RBC had agreed that the latter would take place.

RESOLVED:

- That the Audit and Accounts Committee agreed to recommend to Full Council to opt into Public Sector Audit Appointments Limited, to act as the appointing person for the appointment of external auditors for Rossendale Borough Council.

9. INTERNAL AUDIT PROGRESS REPORT Q2 2021/22

9.1 The Audit Manager, LCC outlined the report, which asked members to consider the internal audit progress report for quarter 2 2021/22.

9.2 It was noted that Ruth Lowry was retiring as Head of Internal Audit. She would be replaced by Andy Dalecki on 6th December 2021. A new Senior Investigator, Pete Walker, had also been appointed.

9.3 In relation to page 4, para 2.8 of the report, Councillor Essex asked if he needed to declare an interest in the RTB Partnership as he was a former Director (relinquished 2019). The Chair did not feel this was necessary.

9.4 In response to comments made it was noted that:

- No overall figure was available for final payments to the RTB Board but could be provided on request.
- RBC had found evidence that all three RTB partners had approved payments. Once received by the auditors, substantial assurance would be given.
- The auditors' report would include a suggestion to save any authorisation emails to a folder on the network.

RESOLVED:

- That the Audit and Accounts Committee noted the content of the report.

10. EXTERNAL AUDIT UPDATE REPORT – MAZARS

10.1 The Account Manager, Mazars outlined the report, which asked members to consider their external audit update report.

RESOLVED:

- The Audit & Accounts Committee noted the external audit update report.

11. EXTERNAL AUDIT PROGRESS REPORT – GRANT THORNTON

11.1 The Audit Manager, Grant Thornton was unable to attend the meeting but had provided a written update on the audit progress for the 2017/18 accounts. This had been circulated to members of the Committee.

11.2 Outstanding queries in relation to valuations, categorisation of assets and the sale of the bus company were almost complete. It was anticipated that Grant Thornton would complete their work by the end of 2021.

RESOLVED:

- The Audit & Accounts Committee noted the report provided.

The meeting concluded at 6.53pm

Signed (Chair)

Date

Subject:	Corporate Risk Register Update Quarter 3 2021-22 (October, November and December)	Status:	For Publication
Report to:	Audit and Accounts Committee	Date:	9 th March 2022
Report of:	Head of Finance	Portfolio Holder:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Karen Spencer	Telephone:	01706 252409
Email:	karens pencer@rossendalebc.gov.uk		

1. RECOMMENDATIONS

- 1.1 That the Audit and Accounts Committee note the Corporate Risk Register as detailed in the report.
- 1.2 That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

2. PURPOSE OF REPORT

- 2.1 The purpose of this report is to update the Audit and Accounts Committee on the council's Corporate Risk Register.

3. BACKGROUND

- 3.1 The council details its approach to managing risk in its Risk Management Strategy. This was updated in March 2016.

The strategy sets out the framework of monitoring and reporting of risks. The council has identified 13 corporate risks and these are monitored via quarterly performance reporting schedule using a R/A/G rating dashboard to report the risk status. These are reported to both the Overview and Scrutiny Committee and Cabinet.

If a potential issue was identified during the periodic monitoring of the risk, the responsible officer would be required to identify the risk and note the actions needed to mitigate the level of risk.

4. THE CURRENT RISK REGISTER

- 4.1 The council has reviewed and continues to monitor the council's corporate risks.
- 4.2 The corporate risks as categorised at the end of Quarter 3 are as follows:

	Quarter 3 2021/22
Low	3
Medium	7
High	3

- 4.3 The corporate risks rated as 'red' are as follows:

Corporate Risk 1	Likelihood	Impact	Overall risk	Status
Sustainability of the Medium Term Financial Strategy	B	2	B2	RED

The November 2021 MTFS update indicates that the MTFS funding gap will continue to increase over the current lifecycle unless further savings/income generation schemes are identified. In addition the Covid-19 pandemic continues to place additional pressure on the MTFS. The legal claims arising from the Empty Homes scheme may also have an adverse impact on the MTFS if settled in the claimants' favour. Officers are monitoring the scheme closely and managing the claims where possible.

Corporate Risk 12	Likelihood	Impact	Overall risk	Status
Response and Recovery to Covid19 Pandemic	B	2	B2	RED

The Covid-19 Outbreak Board was stepped down in Q2 but the council continues to follow Government advice on managing the impact of Covid-19. Take up of the vaccination programme has been good. However, the level of positive cases in Rossendale have remained between 200 and 250 per 100,000 people throughout the last 2 months. We continue to monitor the position and have made contingency plans for a further tightening of Government restrictions in Q3.

Corporate Risk 13	Likelihood	Impact	Overall risk	Status
Impact of Covid-19 on the financial sustainability of council owned leisure assets.	A	2	A2	RED

Projected losses for 2021/22 are lower than expected and are likely to be under 100k. This favourable position is a result of strong management by the Trust and also the availability of grants for Covid and a payment holiday on various council loans. The projections for 2022/23 are concerning due to unexpected additional utility costs and costs associated with living wage uplifts. Work is underway to finalise projections for the next financial year to see how expenditure can be reduced and income maximised. Continued close monitoring is essential.

4.4 The risks will continue to be monitored by Management Team.

5. RISK

5.1 All the issues raised and the recommendations in this report involve risk considerations as set out above.

6. FINANCE

6.1 Any financial implications related to specific risks are noted in this report and detailed in the appendices.

7. LEGAL

7.1 There are no immediate legal considerations attached to the recommendations in this report.

8. POLICY AND EQUALITIES IMPLICATIONS

8.1 Effective risk management is very important to the council, and the council is committed to improving on an on-going basis how it manages and mitigates risk. A very important part of this process is robust and transparent scrutiny and taking timely, corrective action to improve risk management.

9. CONCLUSION

- 9.1 The Corporate Risk Register is dynamic. The updates to the risks demonstrate active mitigation of the existing risks. The Committee will want to explore the implications of each corporate risk in the appendices.

Background Papers	
Corporate Risk Register	Appendix 1
Risk Management Strategy updated March 2016	https://www.rossendale.gov.uk/downloads/download/10836/risk_management_strategy

Risks are those things which might present a barrier to us delivering the things we have undertaken to achieve. Each year the council reviews the potential risks it is facing and looks at what it might do to minimise the occurrence of such risks. This information is then regularly monitored and reviewed. This quarter the council has added a new risk to the corporate risk register. This is focused on the financial vulnerability of the borough's leisure assets and classified as Risk 13.

We profile our risks using a matrix (shown below) which is based on our making two judgments about each potential risk faced by the council. The definition of the likelihood and impact can be found in the council's Risk Management Strategy 2016.

The Council's Risk Matrix

Likelihood	A					
	B					
	C					
	D					
	E					
	F					
		5	4	3	2	1
	Impact					

Likelihood

How likely is it that the risk may occur (rated A-F, A being the most likely)

Impact

How serious might the consequences of the impact be (rated 1-5, 1 being the highest consequence).

Therefore, a risk rated A1 is the highest risk rating and a risk of F5 is the lowest risk rating.

Risk RAG (Red, Amber and Green) rating status indicators	
Risk Status	Status description
GREEN	The likelihood and impact of the risk is low
AMBER	The likelihood and impact of the risk is medium
RED	The likelihood and impact of the risk is high

Risk 1 - Sustainability of the Medium Term Financial Strategy			Responsible Officer - Karen Spencer	
Description				
<p>The Council's latest Medium Term Financial Strategy (MTFS) update published February 2021 indicates an underlying funding gap of c.£400k per annum. The council must take appropriate action in order to balance its annual expenditure against its available annual income and other revenue resources. The council has a legal obligation to publish an annual balanced budget; this means its budget expenditure must equal its available income and any available reserves. Council reserves are limited and equate to only circa 3 years given the anticipated funding gap. Therefore, additional income must be identified or annual costs reduced in future years.</p>				
Risk Consequence				
<p>If the council is not able to prepare a balanced budget there would be legal ramifications, but it would ultimately impact on the level of services the council is able to deliver to Rossendale residents and would result in major reputational damage.</p>				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall	Status
	B	2	B2	RED
Mitigation				
<p>The MTFS does not indicate a significant narrowing of the gap in the next four years, however, the deficits in future years are less than previous MTFS cycles. New income generating opportunities will need to be identified to generate additional revenue, along with improved efficiency and effectiveness of service delivery. Departments across the council will need to be challenged to become more effective.</p>				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
Quarter 3 Update				
<p>The November 2021 MTFS update indicates that the MTFS funding gap will continue to increase over the current lifecycle unless further savings/income generation schemes are identified. In addition the Covid pandemic continues to place additional pressure on the MTFS. The legal claims arising from the Empty Homes scheme may also have an adverse impact on the MTFS if settled in the claimants' favour. Officers are monitoring the scheme closely and managing the claims where possible.</p>				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED

Risk 2 – Major disaster affecting the delivery of council services			Responsible Officer - Clare Law	
Description The council has statutory duties under the Civil Contingencies Act (2004) and to carry out emergency planning and business continuity management activities to minimise the impact of a civil emergency or business interruption on people living, working and visiting the borough.				
Risk Consequence Failure to have robust contingency plans in place could result in the failure to deliver council services, such as, the collection of residential and trade waste, burial services and payment of suppliers and benefits.				
Initial risk assessment RAG status (without mitigation)	Likelihood C	Impact 1	Overall Risk C1	Status AMBER
Mitigation A robust overall council Emergency and Business Continuity Plan is in place. Service continuity plans are updated and tested regularly through a quarterly Emergency Planning meeting. The plans are embedded with the Corporate Management Team as critical working documents to support the continued delivery of essential council services. All managers have a copy of the overall plan and their service plan and keep them under review. RBC is a member of Lancashire County Council Local Resilience Forum (LRF). Officers attend meetings and undertake regular training exercises. RBC plans are available on the Resilience Direct website. Mutual aid agreements are in place with all Local Authorities across Lancashire.				
Risk assessment RAG status (after mitigation)	Likelihood C	Impact 2	Overall Risk C2	Status AMBER
Quarter 3 Update We continue to operate in the recovery stage of Covid-19 and regularly review the service business continuity plans and risk assessments in accordance with government guidance. Covid-19 related absences and isolation has remained below 10% during quarter 3, majority of office-based staff are able to work from home if isolating and any operations staff is backfilled using agency workers. The national LGV driver shortage has affected the availability of agency drivers and caused significant challenges to the refuse and recycling service, staff from other Operations service areas have been used to back fill driver absences. Staff returned to office working during quarter 3 but subsequently reverted to 'working at home if able to do so' following government guidance on 14 th December 2021.				
Quarter 3 risk assessment RAG status (current)	Likelihood D	Impact 3	Overall Risk D3	Status AMBER

Risk 3 - Incident resulting in death or serious injury or HSE investigation			Responsible Officer - Clare Law	
Description Under the Health and Safety at Work Act (1974), the council has a duty of care towards the health, safety and wellbeing of its employees and others.				
Risk Consequence Failure to comply with current legislation and demonstrate compliance may result in harm to staff and others, financial loss and enforcement action.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER
Mitigation The council has health and safety policies and procedures including a health and safety incident reporting procedure in place along with a safe working culture. Actions need to be completed to address and implement a consistent approach across the council in order to secure compliance.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Quarter 3 Update Work has continued to evaluate the systems and measures in place across the council's services to secure compliance and safeguard staff. Following an initial health and safety compliance audit by the Safety and Emergency Planning Officer a report was presented at CMT and it was agreed that a 3-5 year action plan would be produced to progressively reduce the likelihood of potential risks and support the ongoing development of a safe working culture. Actions are directed towards developing an effective Health and Safety management system to ensure compliance is monitored and reviewed. A new Corporate Health and Safety Policy has been developed and currently in consultation with CMT, Members, staff and Trade Unions.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER

Risk 4 - Sustainability of the County Council budget			Responsible Officer - Karen Spencer	
Description Like all local authorities, Lancashire County Council has to maintain a balanced budget. This will mean making budget reductions of over £120m in the next few years.				
Risk Consequence The County Council's 2019 approved budget included £120m savings over the period 2019/20 to 2022/23. This level of budget reductions is likely to have an impact on service provision for our residents. There is also a risk of cost shunting to district councils.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	B	3	B3	AMBER
Mitigation RBC will continue to work with County Council to find ways of reshaping services to reduce costs whilst ensuring shared outcomes are achieved. The council will support joint leadership and Chief Executive meetings to find new ways of working together for the benefit of our residents. The council will interrogate LCC savings proposals and identify risks to our residents and to our services.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	B	3	B3	AMBER
Quarter 3 Update In February 2021 the County Council announced that the elements of their savings plan, originally agreed in February 2019, which were yet to be implemented, had been delayed by a year as a result of the Covid-19 pandemic and could slip further. However the savings programme will continue to be implemented post Covid-19. The council continues to suffer from increased fly-tipping and the associated costs, which has in part resulted from the implementation of the reduced opening hours of the LCC Household Waste Recycling Centres savings proposal.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	B	3	B3	AMBER

Risk 5 - Non-delivery of the borough's economic development strategy			Responsible Officer – Guy Darragh (interim)	
Description The council has put in place an ambitious Economic Development Strategy and Action Plan to implement the economic regeneration elements of its Corporate Plan.				
Risk Consequence The investment based revenue generation schemes identified within the economic development strategy will support the Medium Term Financial Strategy (MTFS). In addition, sweating or realising existing assets will underpin the MTFS. Failure to deliver would lead to the inability to support the delivery of the Medium Term Financial Strategy.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	3	C3	AMBER
Mitigation				
<ul style="list-style-type: none"> • Development and delivery of identified economic regeneration projects at Spinning Point and Futures Park. • Review of rentals on industrial estates underway. • Bringing forward council owned land for development or sale. 				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Quarter 3 Update				
<ul style="list-style-type: none"> • The strategic asset review that will unlock land asset disposals and new rental income has been placed on hold due to staffing issues. • Plans are being advanced for a new council industrial site on Plot 4 Futures Park that will generate new additional income to the Council – due diligence by Economic Development and Property team has now been authorised by CMT/Cabinet. • Industrial unit rent reviews are being enacted on a rolling renewal basis – raising income levels. • Land at Park Avenue has been identified for disposal with an agent appointed and land advertised to interested parties. • Forward plan for Bacup Market Square – under consideration by Cabinet. 				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER

Risk 6 - Non-delivery of the Local Plan			Responsible Officer - Mike Atherton	
Description The Local Plan is a plan for the future development of the local area, drawn up by the Local Planning Authority. It guides decisions on whether or not planning applications can be granted. In law it is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. The Local Plan was due to be adopted in late 2020. It is not considered to be a risk that it will not be adopted, however the risk is that the adoption of the plan will be seriously delayed or that the process will be taken out of the council's hands and that the Government will intervene.				
Risk Consequence Risk of the Local Plan not being delivered is extremely low. The risk of the plan being slightly delayed is moderate. The risk of delay includes a reputational issue; there may be short term criticism from elected members and MP's, and developers. There may also be an environmental risk if planning appeals are being allowed on development sites which the Local Authority does not consider suitable for development. The risk of this increases the longer it takes to adopt the plan.				
Initial risk assessment RAG status (without mitigation)	Likelihood C	Impact 2	Overall Risk C2	Status AMBER
Mitigation Measures are in place to reduce the risk include the Local Plan Action Plan which outlines the actions required following the hearing sessions into the examination of the Local Plan. This is updated and sent to the Planning Inspectorate on a regular basis. The Local Plan Steering Group meets on a regular basis to keep members informed of issues and the timetable. Monthly meetings also take place between the Planning Manager and the Portfolio Holder and also separately the Planning Manager and Director. A barrister has been retained to provide expert advice as required.				
Risk assessment RAG status (after mitigation)	Likelihood D	Impact 2	Overall Risk D2	Status AMBER
Quarter 3 Update The Local Plan was adopted at the council meeting on the 15 th of December 2021.				
Quarter 3 risk assessment RAG status (current)	Likelihood E	Impact 2	Overall Risk E2	Status GREEN

Risk 7 - Changes to Government policy on the delivery of the council's services			Responsible Officer - Neil Shaw	
Description Like all local authorities the council is a statutory body that is subject to changes being consulted upon and or implemented by central government that might affect how we operate and serve our residents/businesses.				
Risk Consequence The risk that the council fails to react and be prepared for any changes being proposed or implemented by central government.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Mitigation The council is a member of the Local Government Association and District Councils Network who keep us informed of government policy and consultations and lobby on behalf of councils to mitigate the impact of any change. The council is also signed up to receive daily emails from Local Government Information Unit who provide daily government news and other Local Government Information Unit (LGiU) policy briefings. The Chief Executive and Leader of the council meets regularly with our two MPs. The council's Corporate Management Team monitor and assess government's position on funding to be distributed to local authorities and other Government announcements that impact funding.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Quarter 3 Update No specific policy changes or updates have occurred in Q3.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN

Risk 8 - Sustainable Workforce			Responsible Officer - Clare Law	
Description There is a requirement to have a sustainable workforce to deliver the council services to residents and customers.				
Risk Consequence Failure to have a fully resourced, trained staff could result in the failure to deliver statutory and non-statutory service in a safe and professional manner to residents and customers.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Mitigation The council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework, Service Area Business Continuity Plans in place. HR will work with managers to review roles to make them more attractive. The council provides an attractive benefit package including final pension scheme, flexible working, generous annual leave, a purchase leave scheme, free on sight parking, family friendly policies, discounted gym memberships and a cycle scheme.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	E	3	E3	GREEN
Quarter 3 Update The cumulative turnover of staff at the end of quarter 3 is 8.33% (quarter 1 – 7.47% and quarter 2 – 6.25%), although the national HGV driver shortage continues to have a significant impact on the Operations refuse and recycling service. The large number of Covid-19 grant schemes and volume of work involved to process the payments and reporting within tight deadlines has had a significant impact on the Finance team and the delivery of the day to day work and scheduled statutory financial deadlines. The impact of Covid-19 continues to be monitored and Covid-19 related absences remains a potential challenge to managing service delivery.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER

Risk 9 - Insufficient data and cyber security			Responsible Officer - Andrew Buckle	
Description Cyber security presents one of the most challenging areas for both the public and private sectors. With the proliferation and severity of attacks constantly increasing this represents a major threat.				
Risk Consequence Cyber-attack resulting in a complete loss of all systems coupled with malware being spread across the entire network. Data breach resulting in information loss causing reputational damage and resulting in a financial penalty due to non-compliance with statutory requirements such as GDPR (General Data Protection Regulation), PCI DSS (Payment Card Industry Data Security).				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER
Mitigation To protect against a data breach RBC, host all council data in Tier 3 Data Centres located in different geographical regions and are backed up daily. RBC Data Centres hold the following accreditations: ISO27001:2013, PCI-DSS. RBC adopts a Risk Insight approach to determine the treat Landscape and more importantly its evolution. RBC has received notification of meeting the Public Services Network (PSN) which means the councils' infrastructure met all the security requirements to allow connection to the PSN. A cyber security training is to be provided for all staff.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Quarter 3 Update The remote working application Virtual Private Network (VPN) was upgraded during Q3 to further enhance security. In addition further updates have been made to the new Payment 3 D Secure V2 standard that has been introduced to ensure compliance with the Payment Card Industry Data Security Standard (PCIDSS). To provide protection to customers who are making both online and telephone payments Cyber Security Training and ICT Security Training will be rolled out to staff in Q4.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER

Risk 10 - Poor communications and public relations			Responsible Officer - Clare Law	
Description Good communication and public relations is essential to inform, maintain and develop relationships with residents, customers and partners to provide council services.				
Risk Consequence Failure to communicate and respond to issues as they develop and inadequately or inappropriately communicating. Could lead to a major loss of reputation for the council on a local, regional and national level. A loss of reputation can damage staff morale, trust between the council and residents and impair the relationship between the council and its partners meaning projects and services delivery is damaged.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	B	1	B1	RED
Mitigation Communication methods in place to support face to face, mail or electronic communications. Developed website and social media channels provide 24/7 service. Experienced communications function to support council officers to deal with communications in a timely manner and promote the work of the council.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Quarter 3 Update Viva PR has continued to deliver the agreed communications plan and Covid-19 communications updates, including regular updates to the council's website and social media posts to residents and communities.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER

Risk 11- Non – Delivery of Corporate Projects			Responsible Officer - Neil Shaw	
Description The council has agreed the 11 corporate projects for 2020-2021 to support the delivery of Corporate Strategy 2017-2021.				
Risk Consequence Failure to deliver the corporate projects would have a detriment impact on the delivery of the council's Corporate Strategy 2017-2021, and result in a reputational risk to the council's commitment to the residents. The failure to deliver the corporate projects could potentially have a negative impact on the council's revenue budgets (by failure to deliver income generating projects) and delivery of the medium term financial strategy, and the associated economic and social benefits may not be realised.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER
Mitigation Each corporate project has a Project Sponsor (member of the Corporate Management Team), a Project Manager and finance officer. Each corporate project will have a robust project plan and live risk register. The Project Sponsor will be responsible for the strategic overview of the corporate project, and the Project Manager will be responsible for the day to day management of the corporate project. council's Programme Board meets quarterly to review the progress of the corporate projects. The Project Sponsor will be responsible for highlighting any concerns to the Corporate Management Team throughout the life of the corporate project.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Quarter 3 Update The Programme Board continues to monitor all the projects. All projects are on track and within budget. The build phase of the Whitaker HLF project is complete closing down any major risks with the most challenging part of that project.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN

Risk 12 – Response and Recovery to COVID-19 Pandemic			Responsible Officer - Neil Shaw	
Description COVID-19 is a strain of the coronavirus, the government declared the virus as a pandemic in the UK in March 2020.				
Risk Consequence The pandemic causes a potentially risk to the delivery of the council services and the health and wellbeing of the wider community.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	A	1	A1	RED
Mitigation The council has an Emergency Plan and Service Area Business Plans to support a pandemic emergency. The plans have been activated, regularly reviewed and stress tested throughout the pandemic. Risk Assessments and Safe Systems of Work have been developed and reviewed with staff and Trade Unions throughout the pandemic to provide a safe working environment. Council officers have worked with the Lancashire Resilience Forum and multi-agency partners to mitigate any potential risks throughout the pandemic. The council established and managed a Community Hub to provide support to vulnerable residents.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED
Quarter 3 Update The Covid-19 Outbreak Board was stepped down in August. The council continues to follow Government advice on managing the impact of Covid. Take up of the vaccination programme has been good. However, the level of positive cases in Rossendale have remained between 200 and 250 per 100,000 people throughout the last 2 months. We continue to monitor the position and have made contingency plans for a potential tightening of Government restrictions in Q4.				
Quarter 3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED

Risk 13 – Impact of COVID-19 on the Financial Sustainability of Council Owned Leisure Assets			Responsible Officer – Adam Allen	
Description National Lockdowns due to COVID-19 result in council owned leisure facilities closing for extended periods. During closure no income is received and outside of lockdown periods, income is significantly reduced.				
Risk Consequence If the council owned leisure assets are to be sustained in the longer term, the operators of the facilities have little recourse to additional funding to survive other than through the council. This financial impact will be over £500k but is likely to be considerably higher, depending on the length and severity of lockdowns.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	A	2	A2	RED
Mitigation The Leisure Trust and council are currently seeking to consolidate all council owned leisure assets under the umbrella Trust to maximise efficiency. Ski Rossendale has transferred and the transfer of CLAW facilities will be recommended to council in Q3, the Whitaker is likely merge with the Trust and discussions are on-going. A report on the impact of all facilities has been produced by KKP and recommendations to minimise impact are being implemented. Senior council Officers are attending the Trust Board to ensure we work together to minimise costs and an intensive monitoring process is in place. Funding through a COVID-19 specific Sport England Fund will be applied for. However, this is not thought to provide retrospective funding for closures and it is unlikely to cover the majority of financial loss. Lobbying of Government for sufficient financial support will continue.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED
Quarter 3 Update Projected losses for 2021/22 are lower than expected and are likely to be under 100k. Projections for 2022/23 however include a number of financial pressures including increased fuel costs, increased staffing due to a rise in the living wage, no access to Covid-19 grants and a removal of various payment holidays across the sites. Work is underway to finalise projections for the next financial year to see how expenditure can be reduced and income maximised. Continued close monitoring and partnership working will be essential in achieving longer term financial sustainability.				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	2	A2	RED

Appendix 1

Subject:	Internal Audit Progress Report Qtr 3 2021/22	Status:	For Publication
Report to:	Audit and Accounts Committee	Date:	09 March 2022
Report of:	Head of Internal Audit (Internal Audit Service)	Portfolio Holder:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Mark Baskerville, Audit Manager	Telephone:	01772 538615
Email:	Mark.baskerville@lancashire.gov.uk		

1.	RECOMMENDATION
1.1	The committee are asked to consider the internal audit progress report for Qtr. 3 2021/22.

2. PURPOSE OF REPORT

2.1 To support the Audit and Accounts Committee in fulfilling its responsibility to monitor performance against the internal audit plan, and to consider a summary of internal audit activity and the level of assurance it gives over the council's governance, risk management and internal control arrangements.

3. BACKGROUND AND OPTIONS

3.1 In the context of fulfilling its responsibility to monitor the adequacy and effectiveness of the internal audit service, and to review internal audit reports, the Committee is asked to consider the assurance provided by the Internal Audit Service.

4. RISK

4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- This report addresses the adequacy of the council's management of risks in respect of the areas subject to audit.

5. FINANCE

5.1 Any financial implications are commented upon in the report.

6. LEGAL

6.1 Any legal implications are commented upon in the report.

7. POLICY AND EQUALITIES IMPLICATIONS

7.1 Reported findings have been discussed and agreed, including management responses to the recommendations, with respective service managers and heads of service prior to reporting.

8. CONCLUSION

8.1 The audit programme is progressing in line with the plan.

No background papers

Rossendale Borough Council

Internal Audit Service

Progress report on delivery of the 2021/22 internal audit plan

Quarter 3



Internal Audit Service

1. Introduction

- 1.1. This report supports Audit and Accounts Committee's responsibility under its terms of reference to consider performance reports from internal audit on progress with delivery of the 2021/22 audit plan, agreed at the March 2021 Committee meeting. Our annual assurance opinion report, submitted to the July 2021 Committee, sets out the position with delivery of the 2020/21 audit plan including summary audit findings.

2. Summary of progress against the 2021/22 audit plan

- 2.1. We are continuing to make good progress with audit plan delivery and plan to deliver all but one of the agreed audits by the year end, and have been well supported on the audits by officers. We will defer the health and safety audit until early 2022/23 to give the new Health and Safety Officer time to implement new guidance and procedures. We have completed 16 audits to at least draft report stage and are making good progress on the others. Mersey Internal Audit Agency (MIIA) have issued final reports for their audits and have been complimentary about the management support they received. The table below shows the current status of audits.

Audit Title	Status	Audit Type	Assurance Opinion
Governance and democratic oversight			
Performance management	Final Report	1+2	Substantial
GDPR/ information security policies	Progressing	1+2	
Rossendale Improvement Plan	Completed	F	N/A
Risk Management	Completed	F	N/A
Freedom of information/ subject access requests	Completed	F	N/A
Business effectiveness			
Procurement	Draft Report	1+2	
IT Critical application review: Civica (MIAA)	Final Report	1+2	Moderate
IT Mobile (remote) working (MIIA)	Final Report	1+2	Substantial
IT Resilience and service Continuity (MIAA)	Final Report	1+2	Moderate
Digital Strategy	Completed	F	N/A
Service delivery			
Planning controls	Progressing	1+2	
Commercial rents	Progressing	1+2	

Internal Audit Service - Progress Report 2021/22 Quarter 3

Audit Title	Status	Audit Type	Assurance Opinion
Rossendale Together Barnfield	Final Report	1+2	Substantial
CCTV regulatory compliance	Progressing	F	N/A
Service support			
Health and safety	Not started	1+2	
Emergency planning and business continuity	Progressing	F	N/A
Purchase/ lease rental	Completed	F	N/A
Business processes (follow up and compliance)			
Business grant allocations	Final Report	1+2	Moderate
Accounts payable	Progressing	2	
Accounts receivable	Progressing	2	
General ledger, budget setting and monitoring	Progressing	2	
Income collection/ banking	Progressing	2	
Payroll	Final Report	2	Substantial
Council tax	Final Report	2	Moderate
Business rates/ NNDR	Final Report	2	Moderate
Housing benefits	Final Report	2	Substantial

Stage of audit process	Number of audits
Completed (no report necessary)/ Final Report delivered	15
Draft report	1
Progressing	9
Not started	0
Deferred/ cancelled	1
Total number of audits	26

Audit type:

- '1' - phase one/ consultancy work
- '2' - phase two/ compliance testing
- '1+2' - full risk and control evaluation
- 'F' - follow-up work.

3. Audit Findings and Assurance

Performance management (Substantial)

3.1. The council manages delivery of corporate priorities by setting and monitoring organisational and operational objectives. A formal performance framework sets established, accessible policy and procedures, realistic targets and indicators of success, progress monitoring and reporting, and accurate data. Responsibility is assigned for delivery of objectives, targets and actions. The framework was revised in June 2021 to reflect the vision and priorities of the new Corporate Plan 2021-25, and is administered effectively by the HR Manager. Performance is regularly monitored and reported to the Corporate Management Team and Overview and Scrutiny Committee. A revised template for reporting performance was introduced with an enhanced focus on underperforming targets, but action being taken to improve performance should also be reported to inform oversight and decision making. Framework compliance is supported by training for heads of service and managers. Senior managers have the opportunity to review performance and supporting data, but the HR Manager acknowledges the need for accuracy and completeness of data to be validated centrally.

IT - Critical application review: Civica (Moderate)

3.2. Civica is used to deliver and access all financial transactions including creditors, debtors, purchasing, and reporting. It is critical to operations and data use must comply with GDPR legislation to minimise the risk of downtime or data breach. An Information Asset Owner (IAO) has been appointed and is reviewing the governance structure and operational roles and responsibilities. System access is controlled and reviewed, and leavers are removed from Active Directory. Application processes and procedures are not formalised or performed routinely, and the IAO is reviewing housekeeping procedures. Certifications and assurances are held for the Public Service Network, Civica HQ and third-party data centre but there is limited evidence of assurance over system support, such as penetration tests. Disaster recovery tests are performed and a business continuity plan should be agreed with regular testing. While backups are taken and checked daily, the data cleansing process and retention, archiving and destruction policy should be approved. A draft migration plan has been produced but we were unable to confirm that all migration risks were included.

IT - Mobile (remote) working (Substantial)

- 3.3. Overall, the system of internal control meets system objectives and controls are consistently applied. The increase in mobile working during the pandemic was supported by remote access to the council network on laptops, tablets and smart phones which may not integrate with security and support frameworks, increasing the risk of data breaches. Policy, guidance and training is in place, but should include areas such as home working risks. Users valued the benefits of flexible working and understood security requirements. A Virtual Private Network operates for remote connections, access to secure emails is through Mimecast and MS Teams is used, although a corporate background should be enabled. ICT had provided required equipment, addressed technical queries and rolled out updates but the management of offsite assets could be improved.

IT - Resilience and service continuity (Moderate)

- 3.4. The council uses its network IT environment to store and access applications and data which is critical and sensitive, and effective service continuity and recovery arrangements minimise the impact from system disruption. The IT service uses resilient technologies to provide resilience and contingency, including backup processes and multiple internal and outsourced computer rooms. There has been no reported outage since 2018. An ICT Disaster Recovery Plan is in place and remote working and new cloud-based services were quickly deployed during the pandemic. The Public Services Network has been re-certified, emails are held securely and forensic services and data backups are contracted out. The two third-party data centres are 27001:2013 compliant. A new supplier assurance process is being matured and embedded and disaster recovery/ offline backup is being procured. Areas for improvement include annual Business Continuity Plan testing, updates to disaster recovery/ incident management documentation, risk assessing the new disaster recovery/ backup solution, formalising and approving monitoring and logging, backup and scanning strategies, approval of a draft hardening policy and upgrading a legacy server.

Business grant allocations (Moderate)

- 3.5. The council administered 16 Government grants totalling £33m to support businesses through Covid lockdowns and restrictions. Eligibility was assessed against specific or discretionary criteria and approximately £27m has been paid to businesses. Appropriate action was taken to make prompt, equitable payments to eligible claimants, which were subject to review and scrutiny and complied with grant conditions. Anti-fraud checks were carried out using Spotlight, the Government's due-diligence tool, and the National Fraud Initiative, and investigations were coordinated with the National Anti-Fraud Network. Payments were recorded, awarded and paid using the Northgate, Anite and Civica systems. The need to allocate funding quickly and comply with grant conditions caused initial difficulty and some early decisions, such as recording payments on Northgate, were reversed. The council subsequently improved the payment method, pre-payment assurance and reconciliation. Returns to central government were completed accurately, though some were submitted late. Submitted claims were retained and, while some rejected claims were not retrievable or recorded, decisions complied with eligibility criteria.

Rossendale Together Barnfield Partnership (Moderate)

- 3.6. Rossendale Together Barnfield is a joint venture established in 2013 between the council, Together Housing and Barnfield Construction to deliver regeneration projects within the borough, such as Spinning Point in Rawtenstall. We confirmed that articles of association establish governing structures, rules for decision making and Board appointments, and are complied with. Full Council approves project funding under the Capital Programme and members receive regular updates on progress. Partners apply their own procurement rules but partnership expenditure such as non-construction invoices for pre-work assessments and administration are split and jointly approved. Costs incurred seemed reasonable and in line with expectations. Council payment approval is recorded in emails from the Chief Executive Officer which could not be found at the time of our report, but were subsequently produced.

Financial Systems

Payroll (Substantial)

- 3.7. At time of audit the council had 176 employees with a monthly payroll of around £300k, administered using the Complete Human Resource Information System (CHRIS21). Procedures were largely unchanged during the pandemic, other than recording approval by email. The structure chart and the payroll record are accurately maintained, starters and leavers are processed correctly, tax thresholds are up to date and access to CHRIS21 is based on business need. Additional pay and absence, such as overtime or maternity leave, are paid correctly, evidenced and approved. Monthly payroll is calculated accurately and approved by a senior officer prior to payment, with adequate separation of duties.

Capita Audits - Background and Context

- 3.8. The council outsources the management of housing benefit, council tax and business rates services to Capita PLC. The council's Service Assurance (SA) team monitor Capita performance and report quarterly to Members. Claims are managed through the Northgate IT system and stored on a document management system, Anite.

Council Tax (Moderate)

- 3.9. Some debt recovery procedures were suspended due to the pandemic but Members were informed of the likely impact on collection rates and debt. Council tax bands, discounts and exemptions are correctly input, and the database is well maintained. Bill reductions are evidenced and properties inspected where necessary. Refund and write off procedures comply with policy, and performance against targets is reported to Members. Debt management policy has not been reviewed and updated, despite agreeing to address this in our previous report. Two live user accounts on Northgate were for ex-employees, and have now been closed, and we could not confirm approval for eight accounts. Access rights will be periodically reviewed in future and a new process between the council and Capita will improve access oversight. Council tax debt increased by around £1m between April 2019 and March 2021 and suspended recovery procedures are the likely cause, but managers should continue to monitor the position and we agreed an aged debt key performance indicator would be introduced.

Business Rates/ NNDR (Moderate)

3.10. As with Council Tax, a decision was made not to manage debt in full compliance with policy during the pandemic, but issues regarding debt management policy and user access apply equally here. Business rate system parameters are correctly input, bills are calculated accurately and exemptions and discounts are applied appropriately. Refund and write off procedures are compliant with policy. Members have oversight of performance indicators, and missed targets are explained. We could not confirm that Valuation Office Agency reports were reconciled to the NNDR database due to the absence of key staff and working from home arrangements, and agreed an action to modify procedures, including use of email to record approval. Most empty properties were not inspected in 2020/21 due to Covid restrictions but we understand that normal arrangements will be resumed as restrictions are lifted.

Housing Benefits (Substantial)

3.11. Overall, controls are adequately designed and operating effectively to provide housing benefits and council tax support to eligible claimants. Procedures for new claims and changes in circumstances correctly assess eligibility prior to award or amendment. Due to the pandemic, 2019/20 quarterly performance targets were retained and met for processing efficiency and accuracy and are reported to Members. There is appropriate separation of duties between approving claims, making payments and reconciliation. We could not reconcile one payment between records held by Capita and the council, but received a satisfactory explanation for the difference.

4. Update on the National Fraud Initiative (NFI)

4.1. The main exercise is run every two years. Matches were released in February 2021 but there were subsequent releases during the year and all datasets have now been uploaded to the NFI website.

2020/21 biennial exercise	Number					Savings
	Reports	Matches	Processed	Frauds	Errors	£
Housing benefit	15	141	38	0	1	2,210
Payroll to payroll/ creditors	2	8	8	0	0	0
Council tax reduction scheme	15	206	179	0	5	12,029
Creditors - duplicates	6	266	3	0	0	0
SBGF/ RHLG - Duplicates	4	38	30	0	0	0
Discretionary/ Other Grants	1	8	0	0	0	0
Value Added Tax	1	23	0	0	0	0
Procurement – payroll	2	13	13	0	0	0
Individuals - more than one report	1	19	0	0	0	0
Total	44	722	271	0	6	14,239

4.2. Separate matching is undertaken of council tax data to the electoral roll. Data is released in December when the process to check matches begins. The council also buys a comparison against a range of other data sets in all local authorities and a new premium single person discount match. The table below shows the latest matches, numbers processed and outcomes.

4.3. Premium Council Tax data is re-matched against data from a credit agency, for which the council pays a fee. Checks are now progressing on data. Council Tax matches were released in February 2021. Checks are being completed and outstanding matches are under investigation. Council tax and the electoral register have now been uploaded to the NFI website.

Data categories	Number					Savings
	Reports	Matches	Processed	Frauds	Errors	£
Premium council tax – SPD Feb 2022	3	937	937	17	21	16,909
Council Tax to HMRC household composition Feb 2022	2	1738	1738	68	79	67,467
Premium council tax – SPD Feb 2022 - electoral register	3	875	844	41	84	41,068
Council Tax rising 18s Feb 2022	3	83	83	0	42	77

Internal Audit Service - Progress Report 2021/22 Quarter 3

	Number					Savings
Data categories	Reports	Matches	Processed	Frauds	Errors	£
Council tax – Other datasets Feb 2022	3	3887	3011	6	24	10,403
Total	14	7520	6613	132	250	135,924

5. Audit assurance levels and classification of residual risk

5.1. The definitions of the assurance given by internal audit work, and the categories of residual risk used to prioritise any actions arising from audit work are set out below.

Assurance levels

5.2. Note that our assurance may address the adequacy of the control framework's design, the effectiveness of the controls in operation, or both. The wording below addresses all of these options and we refer in our reports to the assurance applicable to the scope of the work we have undertaken.

- **Substantial assurance:** the framework of control is adequately designed and/or effectively operated overall.
- **Moderate assurance:** the framework of control is adequately designed and/or effectively operated overall, but some action is required to enhance aspects of it and/ or ensure that it is effectively operated throughout the service, system or process.
- **Limited assurance:** there are some significant weaknesses in the design and/or operation of the framework of control that put the achievement of the service, system or process' objectives at risk.
- **No assurance:** there are some fundamental weaknesses in the design and/or operation of the framework of control that could result in failure to achieve the service, system or process' objectives.

Residual risks

- **Extreme residual risk:** critical and urgent in that failure to address the risk could lead to one or more of the following: catastrophic loss of the county council's services, loss of life, significant environmental damage or significant financial loss, with related national press coverage and substantial damage to the council's reputation. Remedial action must be taken immediately.
- **High residual risk:** critical in that failure to address the issue or progress the work would lead to one or more of the following: failure to achieve organisational objectives, significant disruption to the council's business or to users of its services, significant financial loss, inefficient use of resources, failure to comply with law or regulations, or damage to the council's reputation. Remedial action must be taken urgently.
- **Medium residual risk:** failure to address the issue or progress the work could impact on operational objectives and should be of concern to senior management. Prompt specific action should be taken.
- **Low residual risk:** matters that individually have no major impact on achieving the service's objectives, but where combined with others could give cause for concern. Specific remedial action is desirable.

Subject:	Internal Audit Annual Audit Plan 2022/23	Status:	For Publication
Report to:	Audit and Accounts Committee	Date:	9 March 2022
Report of:	Head of Internal Audit (Internal Audit Service)	Portfolio Holder:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Mark Baskerville, Audit Manager	Telephone:	01772 538615
Email:	Mark.baskerville@lancashire.gov.uk		

1.	RECOMMENDATION
1.1	The Committee are asked to consider and approve the annual internal audit plan for 2022/23.

2. PURPOSE OF REPORT

- 2.1 The Audit and Accounts Committee's terms of reference require it to advise the council on the planned activity and results of internal audit.

3. BACKGROUND AND OPTIONS

- 3.1 Definition of internal auditing

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

"The provision of assurance services is the primary role for internal audit in the UK public sector. This role requires the chief audit executive to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control." The Institute of Internal Auditors,

Public Sector Internal Audit Standards, 2015

Relevant regulations

Internal audit: "A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance." Regulation 5. (1)

Review of internal control system: "A relevant authority must, each financial year (a) conduct a review of the effectiveness of the system of internal control ... and (b) prepare an annual governance statement." Regulation 6. (1)

Accounts and Audit Regulations 2015

4. RISK

- 4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- The responsibility for implementing, maintaining and reviewing the system of internal control rests with the council, but the process by which the effectiveness of its system of internal control is reviewed and the governance statement is made includes obtaining assurances on the effectiveness of key controls. In practice,

these assurances will be substantially drawn from the work of internal audit. The audit plan is therefore focused on providing these assurances to the chief executive and leader of the council who are jointly required to sign the annual governance statement

5. FINANCE

5.1 Any financial implications are commented upon in the report.

6. LEGAL

6.1 Any legal implications are commented upon in the report.

7. POLICY AND EQUALITIES IMPLICATIONS

7.1 Reported findings have been discussed and agreed, including management responses to the recommendations, with respective service managers and heads of service prior to reporting.

8. CONCLUSION

8.1 The plan is focused on an assessment of the risks to the achievement of the council's objectives, and the provision of assurance that the actions planned to mitigate these risks are adequate and effective

No background papers

Rossendale Borough Council
Internal Audit Service
Internal Audit Annual Plan 2022/23



1. Introduction

- 1.1. This report sets out the emergent internal audit plan for 2022/23. The Audit and Accounts Committee is asked to consider and approve it under its terms of reference. The plan is supported by an Internal Audit Strategy setting out statutory and professional requirements, planning principles and audit approach, and by a service Charter defining our purpose, authority, scope and responsibility, our position within the organisation, and rights of access to records, personnel and physical properties.
- 1.2. The Internal Audit Service (the Service) applies the core principles set by the Chartered Institute of Internal Auditors, reiterated in Public Sector Internal Audit Standards, including integrity, competence and due professional care and independence.

2. The purpose of the internal audit plan

- 2.1. The council is responsible for a wide range of services across the borough, and its members and senior managers should be aware of the risks to achieving their service objectives and inherent in their work. These should be managed by controls to reduce the risk to a corporately acceptable level. The chief executive, Audit and Accounts Committee and the council need assurance that these controls are adequately designed and operate effectively. At the end of the financial year the chief executive and leader of the council will jointly sign the annual governance statement (AGS) published with the council's financial statements.
- 2.2. The head of internal audit is required by professional standards to give an annual assurance opinion on governance, risk management and control, over the adequacy and effectiveness of the management of risks to council objectives. The Audit and Accounts Committee's terms of reference require it to consider this annual opinion, and review and approve the AGS. The Committee should therefore consider and approve an internal audit plan which provides the assurance the council, committee, leader and chief executive need. We have discussed this plan with the council's senior management team.
- 2.3. The overall opinion covers twelve months and supporting evidence must relate to controls operating in that period, so the plan addresses work for one year but may make projections into future audit needs. The work will rarely be fully complete at the end of the year but will be sufficiently complete and reported by the time the council prepares its AGS shortly after the year end.

3. Obtaining the evidence to support an overall opinion for 2020/21

- 3.1. Our internal audit plan is designed to provide the evidence necessary to support an opinion on governance, risk management and control and covers:
 - Key components of each part of the opinion: aspects of the council's governance, risk management and control framework.
 - Sufficient controls across the council's operations, so that a fair assessment may be made across the organisation.
 - Controls that mitigate the most significant risks to an acceptable level, particularly those that operate most widely.
 - The actions being taken to develop improved controls in the areas of greatest unmitigated risk.
- 3.2. It will therefore be necessary to audit aspects of governance, risk management and control processes. Information from less formal sources may also inform the overall opinion. The diagram below shows a control framework for risk management,

governance and control and the internal audit plan covers the assurances required, addressing areas of overall opinion, control and service delivery. The plan also includes follow up of actions agreed by managers from audits in the previous year.

A framework for governance, risk management and control				
Governance and democratic oversight				
Corporate governance framework			Democratic processes	
Business effectiveness				
Risk management	Performance monitoring and management		Organisational design	Working in partnership
Service delivery				
Customer services		Operations and environmental health		Business
Benefits administration	Revenue collection	Refuse collection and recycling	Parks and open spaces	Housing Regeneration
Leisure services		Street sweeping	Planning	Licensing
Service support				
Contract monitoring and management			Public interface	
Business processes				
Financial processes		ICT	Facilities management	Human resources
Investment	Payroll	Procurement		Business continuity

4. The context of the audit work for the year

- 4.1. Planned audit work in 2022/23 is sufficient to provide assurance over the council's frameworks of governance, risk management and control, delivering 200 days of audits and supporting activity across governance, operations, services, systems and processes. This includes further work by Mersey Internal Audit Agency of information and technology risks. We will inform the committee of any significant changes in planned work as we report progress during the year.

6. Deployment of audit resources

6.1. This audit plan is based on estimated days and is a best estimate of audit resources. We will deploy resources as effectively as possible, focussing on key areas of risk to achieve maximum benefit. The council uses the County Council's contract with Mersey Internal Audit Agency (MIAA) for delivery of specialist IT audits. While the plan enables managers and members to see the scope and value of the audit work, we will spend some time completing a small number of audits that are being worked on into the following year. Additional work may be needed in-year at the expense of planned work, but the plan is sufficiently flexible to accommodate such changes. We will continually reassess resources against council priorities, amending the plan as required.

7. The assurance we will provide

7.1. The assurance we will provide falls into four categories: substantial, moderate, limited and no assurance.

- Substantial assurance: the framework of control is adequately designed and/ or effectively operated.
- Moderate assurance: the framework of control is adequately designed and/ or effectively operated overall, but some action is required to enhance aspects of it and/ or ensure that it is effectively operated throughout the service, system or process.
- Limited assurance: there are some significant weaknesses in the design and/ or operation of the framework of control that put the achievement of the service, system or process' objectives at risk.
- No assurance: there are some fundamental weaknesses in the design and/ or operation of the framework of control that could result in failure to achieve the service, system or process' objectives.

8. The Internal Audit Service's responsibilities in relation to fraud and investigations

8.1. In addition to our audit work, the Internal Audit Service provides some support to the council in managing fraud risk, specifically through the provision of advice in respect of instances of suspected fraud or impropriety and supporting the council's response to the National Fraud Initiative.

9. Proposed audit programme for 2021/22

This table overleaf lists the audits we are planning to carry out in 2021/22, including the relevant corporate risk register reference, the resource allocated and the type of audit we will carry out: '1' - phase one/ consultancy work; '2' - phase two/ compliance testing; '1+2' - full risk and control evaluation; 'F' - follow-up on implementation of previously agreed actions.

Controls assurance	Audit scope	Corp Risk	Audit Type	Days	Total Days
Governance and democratic oversight					
Delegated decision making by officers	Arrangement for ensuring officer decisions are taken in accordance with delegated powers, and are approved, recorded and reported.	All	1+2	12	26
Leisure Trust	Council engagement and oversight of the Trust's management of council owned leisure assets.	13	1+2	12	
Performance management	Audit of the adequacy and effectiveness of controls to ensure council performance is managed effectively, including data quality.	All	F	1	
GDPR/ information security policies	Audit of service compliance with GDPR and/ or information security policies following audit report on policy in January 2019.	10	F	1	
Business effectiveness					
Financial sustainability	Progress with delivery of savings reported by services including accuracy and completeness of data.	4	1+2	12	43
IT critical application review of payroll (MIIA)	Audit of technical controls in place to manage payroll through the Complete Human Resource Information System (CHRIS21).	1, 4	1+2	12	
IT threat and vulnerability management (MIIA)	Assess how the council responds to cyber security threats and how they are managed and mitigated.	9	1+2	15	
Procurement	Follow up of audit of procurement policy and processes, including review and follow up of implementation of 2019/20 audit actions.	4	F	1	
IT Critical application review of Civica (MIAA)	Follow up of audit of the technical controls in place to ensure effective operation of an application critical to business delivery.	10	F	1	
IT Homeworking arrangements (MIIA)	Follow up of audit of arrangements for managing homeworking arrangements including access, resilience and security.	10	F	1	
IT Service Continuity (MIAA)	Follow up of audit of the controls to ensure continuity of IT services.	2, 10	F	1	
Service delivery					
Corporate project delivery	Arrangements for managing delivery of corporate projects, including initiation, ownership, delivery, reporting and oversight.	11	1+2	12	14
Planning controls	Follow up of audit of planning application controls including applicant support, consultation/ appeals and decision making.	6, 7	F	1	

Rossendale Borough Council - Internal audit plan 2022/23

Controls assurance	Audit scope	Corp Risk	Audit Type	Days	Total Days
Commercial rents	Follow up of audit of income from commercial properties including review of the rents process and debt collection.	6, 7	F	1	
Service support					
Health and Safety [deferred from 2021/22]	The adequacy and effectiveness of corporate arrangements to ensure compliance with H&S legislation and good practice.	3	1+2	15	27
Sickness absence	Policy and processes for reporting, recording and monitoring sickness absence.	8	1+2	12	
Business processes (follow up and compliance)					
Accounts payable	Annual compliance audits, testing established controls and follow-up of actions from previous year to support the annual audit opinion.	1	2	8	64
Accounts receivable		1	2	8	
General ledger, budget setting and monitoring		4	2	8	
Income collection/ banking		1	2	8	
Payroll		1	2	8	
Council tax		1	2	8	
Business rates/ NNDR		1	2	8	
Housing benefits		1	2	8	
Counter fraud and investigations					
Operation of the National Fraud Initiative			N/A	4	6
Support to the council's whistleblowing and counter fraud work			N/A	2	
Other work					
Internal Audit management including planning, managing delivery, liaison with management team, committee reporting and scheduling resources.			N/A	15	20
Contingency			N/A	5	
Total resource for the council					200

Audit Progress Report

Rossendale Borough Council

March 2022



1. Audit progress
2. National publications

01

Section 01:

Audit progress

Audit progress

Purpose of this report

This report provides the Audit Committee with an update on progress in delivering our responsibilities as your external auditors and also includes, at Section 2, for your information, a summary of recent national reports and publications.

Statutory Audit of the 2018/19, 2019/20 and 2020/21 Statement of Accounts

We continue to liaise with management on a regular basis relating to the statutory statement of accounts audits. However, as previously reported to members we cannot commence detailed work on the audits until the 2017/18 audit has been completed by the predecessor auditor.

Certification of Housing Benefits subsidy claim

This is an 'agreed upon procedures' assurance engagement in respect of the Council's annual subsidy claim to DWP for housing benefits, as detailed in guidance issued by the DWP "Housing Benefits Assurance Process" (HBAP). The total subsidy claimed for 2020/21 per the final claim was £13,724,371. We submitted our HBAP Report to the DWP on 8 February 2022, in line with the national deadline of 28 February 2022.

We are pleased to report that we identified fewer issues as part of our 2020/21 HBAP work in comparison to our work in 2018/19 and 2019/20.

No errors were identified in our detailed sample testing of housing benefit claims for the 2020/21 year.

Matters reported:

- As part of our review of the subsidy claim form reconciliation we identified differences which led to minor amendments to the claim form. The overall impact of the amendments on the total subsidy for the year was £25.
- Additionally, as part of the subsidy reconciliation we identified inconsistencies relating to two claimants which the system has incorrectly allocated to Rent Rebate relates cells. The authority has made the decision to exclude these cases from the claim form and forego the subsidy as the cases are incorrectly classified and do not balance within the system. The overall impact on subsidy for the year was £-245.

02

Section 02:

National publications

National publications

	Publication/update	Key points
Chartered Institute of Public Finance and Accountability (CIPFA)		
1.	New Prudential and Treasury Management Codes	These two statutory and professional codes are important regulatory elements of the capital finance framework within which local authorities operate.
2.	Emergency proposals for an update of the 2021/22 Code of Practice on Local Authority Accounting in the United Kingdom and the 2022/23 Code	CIPFA published a consultation on emergency proposals for the update of the 2021/22 (and 2022/23) Code. They are aimed at improving the completion rates for publication of audited accounts and include: <ul style="list-style-type: none"> • delaying the implementation of IFRS 16 for at least 1 year, so the implementation date would now be 1 April 2023 at the earliest; and • allowing for an optional pause of the property revaluation cycle.
Department for Levelling Up, Housing and Communities		
3.	Consultation on changes to the capital framework: Minimum Revenue Provision	This consultation seeks views on proposed changes to regulations to better enforce the duty of local authorities to make prudent Minimum Revenue Provision each year.
4.	Measures to improve local audit delays and accounts and audit timetable confirmed	DLUHC have announced a new package of measure to support the improved timeliness of local audit. These include additional funds and an extension of the deadline for publishing accounts.
National Audit Office (NAO)		
5.	The Government's preparedness for the COVID-19 pandemic: lessons learned for government on risk management	The report sets out central government's risk analysis, planning, and mitigation strategies prior to the arrival of the COVID-19 pandemic, with the aim of drawing out wider learning for the government's overall approach.
6.	Departmental Overview 2020-21: Department for Levelling Up, Housing and Communities	This provides a summary of the Department's spending in 2020-21, its major areas of activity and performance, and the challenges it is likely to face in the coming year.
7.	AGN/03 – Auditor's work on Value for Money Arrangements – Updated Guidance	NAO has updated its guidance and confirmed there are no significant changes to the expected approach or timetable.

NATIONAL PUBLICATIONS

CIPFA

1. CIPFA publishes new Prudential and Treasury Management Codes, December 2021

CIPFA has published the new Prudential Code for Capital Finance in Local Authorities (Prudential Code) and Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (the Treasury Management Code) following a consultation period. These two statutory and professional codes are important regulatory elements of the capital finance framework within which local authorities operate. Local authorities are required by regulation to 'have regard to' their provisions. Guidance notes will follow shortly in the new year.

The updated **Prudential Code** includes the following as the focus of the substantive changes:

- The provisions in the code, which present the approach to borrowing in advance of need in order to profit from additional sums borrowed, have been strengthened. The relevant parts of the code have augmented to be clear that borrowing for debt-for-yield investment is not permissible under the Prudential Code. This recognises that commercial activity is part of regeneration but underlines that such transactions do not include debt-for yield as the primary purpose of the investment or represent an unnecessary risk to public funds.
- Proportionality has been included as an objective in the Prudential Code. New provisions have been added so that an authority incorporates an assessment of risk to levels of resources used for capital purposes.

The main changes to the updated **Treasury Management Code** and the accompanying guidance for local authorities are as follows:

- Investment management practices and other recommendations relating to non-treasury investments are included within the Treasury Management Practices (TMPs) alongside existing TMPs.
- The guidance will recommend the introduction of the Liability Benchmark as a treasury management indicator for local government bodies (note that CIPFA has issued a toolkit to assist local authorities with the production of this indicator).
- Environmental, Social and Governance (ESG) risks are incorporated into TMP1 (Risk Management) rather than a separate TMP 13.
- The purpose and objective of each category of investments should be described within the Treasury Management Strategy.

<https://www.cipfa.org/about-cipfa/press-office/latest-press-releases/cipfa-issues-new-prudential-and-treasury-management-codes>

NATIONAL PUBLICATIONS

CIPFA

2. Emergency proposals for an update of the 2021/22 Code of Practice on Local Authority Accounting in the United Kingdom and the 2022/23 Code, February 2022

CIPFA LASAAC has issued an exceptional consultation on time limited changes to the code to help alleviate delays to the publication of audited financial statements. Only 9% of local authority accounts in England met the audit publication deadline of 30 September 2021. The consultation closes on 3 March 2022.

In December 2021, the Department of Levelling-up Housing and Communities asked CIPFA LASAAC to consider ways in which the code may ameliorate this crisis position. CIPFA LASAAC considered this request and has issued this exceptional consultation, which explores two possible changes that might be made as an update to the 2021/22 code and to the agreed position in the 2022/23 code. After considering a wide range of options CIPFA LASAAC decided to explore two approaches:

- an adaptation to the code to allow local authorities to pause professional valuations for operational property, plant and equipment for a period of up to two years (though the initial proposal is for the 2021/22 financial year); this approach also explores the use of an index to be used to increase or reduce that valuation
- deferring the implementation of IFRS 16 *Leases* for a further year and reversing the planned changes to the 2022/23 code to implement that standard.

The consultation also shows the wide range of options that CIPFA LASAAC considered, which includes some which the board considered were outside of its terms of reference.

<https://www.cipfa.org/policy-and-guidance/consultations/emergency-proposals-for-update-of-202122-and-2022223-codes>

NATIONAL PUBLICATIONS

Department for Levelling Up, Housing and Communities

3. Consultation on changes to the capital framework: Minimum Revenue Provision, December 2021

This consultation seeks views on proposed changes to regulations to better enforce the duty of local authorities to make prudent Minimum Revenue Provision each year.

Local authorities borrow and invest under the Prudential Framework (the Framework), which comprises legislation and 4 statutory codes that authorities must have regard to. Under this system, authorities have wide freedoms to borrow and invest without the need to seek the government's consent, provided that borrowing is affordable. The intent of the Framework is to make sure local decisions are prudent, affordable and sustainable.

The government is aware that some authorities employ practices that are not fully compliant with the duty to make a prudent revenue provision, resulting in underpayment of MRP. This was reported in the NAO's report Local Authority Investment in Commercial Property (February 2020) and the subsequent report by the Public Accounts Committee in July 2020, which recommended the government take steps to address the issue.

<https://www.gov.uk/government/consultations/changes-to-the-capital-framework-minimum-revenue-provision/consultation-on-changes-to-the-capital-framework-minimum-revenue-provision#excluding-specific-debt-from-mrp-determination>

4. A new package of measures to support the improved timeliness of local audit, December 2021

This publication sets out a range of measures agreed with key partners to support the timely completion of local government audits and the ongoing stability of the local audit market. The measures include:

- Steps to increase the number of auditors with skills to carry out the work;
- Additional funding to support increases in audit fees; and
- Extension of the audit deadlines to 30 November 2022 and 30 September for 2023 onwards.

https://www.gov.uk/guidance/measures-to-improve-local-audit-delays?utm_medium=email&utm_campaign=govuk-notifications&utm_source=81365e1a-e6b1-4c1b-bce1-b5ef8fafef6f&utm_content=daily#section-4-longer-term-measures-to-help-stabilise-the-market-and-address-long-term-supply-issues

NATIONAL PUBLICATIONS

National Audit Office

5. The Government's preparedness for the COVID-19 pandemic: lessons learned for government on risk management, November 2021

In November 2021

This report sets out the facts on:

- the government's approach to risk management and emergency planning (Part One);
- the actions the government took to identify the risk of a pandemic like COVID-19 (Part Two);
- the actions the government took to prepare for a pandemic like COVID-19 (Part Three); and
- recent developments (Part Four).

The report sets out central government's risk analysis, planning, and mitigation strategies prior to the arrival of the COVID-19 pandemic, with the aim of drawing out wider learning for the government's overall risk management approach.

The report concludes that this pandemic has exposed a vulnerability to whole-system emergencies – that is, emergencies that are so broad that they engage the entire system. Although the government had plans for an influenza pandemic, it did not have detailed plans for many non-health consequences and some health consequences of a pandemic like COVID-19. There were lessons from previous simulation exercises that were not fully implemented and would have helped prepare for a pandemic like COVID-19. There was limited oversight and assurance of plans in place, and many pre-pandemic plans were not adequate. In addition, there is variation in capacity, capability and maturity of risk management across government departments.

The pandemic also highlighted the need to strengthen the government's end-to-end risk management process to ensure that it addresses all significant risks, including interdependent and systemic risks. This will require collaboration on risk identification and management not only across government departments and local authorities, but also with the private sector and internationally. For whole-system risks NAO states that the government needs to define its risk appetite to make informed decisions and prepare appropriately so that value for money can be protected. NAO state that the pandemic has also highlighted the need to strengthen national resilience to prepare for any future events of this scale, and the challenges the government faces in balancing the need to prepare for future events while dealing with day-to-day issues and current events.

The full report can be seen at this link: <https://www.nao.org.uk/report/the-governments-preparedness-for-the-covid-19-pandemic/>

NATIONAL PUBLICATIONS

National Audit Office

6. Departmental Overview 2020-21: Department for Levelling Up, Housing and Communities, November 2021

This provides a summary of the Department for Levelling Up, Housing and Communities' spending in 2020-21, its major areas of activity and performance, and the challenges it is likely to face in the coming year, based on the insights from NAO's financial audit and value for money work.

The full report can be seen at this link: <https://www.nao.org.uk/report/departmental-overview-2020-21-department-for-levelling-up-housing-and-communities/>

7. AGN/03 – Auditor's work on Value for Money Arrangements – Updated Guidance, December 2021

NAO has updated its guidance and confirmed there are no significant changes to the expected approach or timetable for 2021/22 audits.

The guidance can be seen at this link: <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>

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