

Meeting of: Audit & Accounts Committee

Date: 27th September 2023

Time: 6.30pm

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

The meeting will also be live streamed at the following link:

<https://www.youtube.com/channel/UCrLsMDOP7AYxik5pNP0gTIA/streams>

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 26 th July 2023	
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 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. 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.	Glenda Ashton, Committee and Member Services Officer 01706 252423 glendaashton@rossendalebc.gov.uk

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 Rosendale Borough Council, Futures Park, Bacup, OL13 0BB

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ITEM		Lead Member/Contact Officer
	<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>Please register an agenda related public question by emailing democracy@rossendalebc.gov.uk no later than 12noon on Wednesday 27th September 2023</p>
C.	<p>Chair's Update To receive communications from the Chair</p>	Councillor Procter
D.	ORDINARY BUSINESS	
D1.	Corporate Risk Register Update Q1 2023/24	Karen Spencer Chief Finance Officer, 01706 252465 karenspercer@rossendalebc.gov.uk
D2.	Draft Annual Governance Statement 2022/23	Karen Spencer Chief Finance Officer, 01706 252465 karenspercer@rossendalebc.gov.uk
D3.	Internal Audit Progress Report July to August 2023/24	Mark Baskerville Lancashire County Council mark.baskerville@lancashire.gov.uk
D4.	External Audit Progress Report	Katie Kingston Mazars Auditors katie.kingston@mazars.co.uk
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>	
E1.	Standards Complaints update (verbal)	Councillor Procter
E2.	Whistleblowing update (verbal)	Councillor Procter



Rob Huntington
Chief Executive

Date Published: 19th September 2023

MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE

DATE OF MEETING: 26TH JULY 2023

PRESENT: Councillor M Smith (Chair)
Councillors Driver (sub), Powell, Procter, S Smith, Walmsley & Woods
Mr S McManus, Co-opted member

IN ATTENDANCE: Rob Huntington, Chief Executive, RBC
Karen Spencer, Chief Finance Officer (S151 Officer), RBC
Carol Walker, Fraud & Compliance Officer, RBC
Andy Dalecki, LCC Internal Auditors
Mark Baskerville, LCC Internal Auditors
Alastair Newall, Mazars External Auditors
Glenda Ashton, Committee Officer, RBC

ALSO PRESENT: Councillor Oakes
K Haworth, Head of Financial Services
2 members of the public

1. APOLOGIES FOR ABSENCE

1.1 Apologies were received from Councillor MacNae (Councillor Driver subbing).

2. MINUTES OF THE MEETING HELD ON 8TH MARCH 2023

RESOLVED:

The minutes of the meeting held on 8th March 2023 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

3.1 There were no urgent items of business.

4. DECLARATIONS OF INTEREST

4.1 There were no declaration of interests.

5. PUBLIC QUESTION TIME

5.1 There were no public questions. The Chair agreed to take questions as each agenda item arose.

6. CHAIR'S UPDATE

6.1 There was no update.

7. REVIEW COMMITTEE TERMS OF REFERENCE

7.1 The Chief Finance Officer noted that the Terms of Reference of the Committee were brought to the first meeting of the municipal year as good practice.

RESOLVED:

- The Audit & Accounts Committee noted the Terms of Reference.

8. ANNUAL FRAUD REPORT

8.1 The Fraud & Compliance Officer presented the report, which asked members to note the work completed during 2022/23.

8.2 The following comments were made and clarifications provided:

- The Fraud and Compliance Officer was thanked for a comprehensive report and for her hard work.
- Good relationships were being forged with the DWP and more joint working was taking place with the possibility of joint prosecutions. However, information requested from the DWP was not always forthcoming due to their strict Data Protection rules.
- It was noted that residents struggling to complete benefit forms could ring for assistance or attend the Council offices.

RESOLVED:

- The Audit and Accounts Committee noted the Annual Fraud Report for 2022/23.

9. CORPORATE RISK REGISTER UPDATE Q4 2022/23

9.1 The Chief Finance Officer outlined the report, which asked members to note the contents of the report, the risk consequence, mitigation action and level of risk as detailed in Appendix 1. Two risks had a red risk rating; Sustainability of the Medium Term Financial Strategy and the Financial Sustainability of Council owned leisure assets and the red risk owners were in attendance to answer questions.

9.2 The following comments were made and clarifications provided:

- Once the Risk Strategy had been reviewed/re-drafted, a politically balanced working group would be set up to discuss the strategy before being taken to the Overview & Scrutiny Committee. The group will also look at best practice and ensure risks are consistent and are managed correctly.
- Online Cyber Security training was available to councillors and staff. New councillors and those yet to complete the training would be asked to undertake the training.

Risk 1 – Sustainability of the Medium Term Financial Strategy

- The Council faced challenges as a small authority as Government grants were smaller despite the cost of delivering some services being similar to larger authorities. Due to the geography of the area the Council has limited ability to increase its tax base.
- More income generation was needed. This was difficult in a valley as there was limited capacity to help businesses grow.
- Recruitment and retention was also difficult and the Council needed to consider engaging partners in the valley.
- LCC's decision regarding landfill sites would have a significant impact on Rossendale's budget.

Risk 4 – Sustainability of the County Council budget

- Risk to be re-worded to highlight that waste management was an issue impacting the Council.

- Concerns were expressed about the affect LCC's £75m savings would have on adults, children and families in the borough.

RESOLVED:

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

10. STATEMENT OF ACCOUNTS 2020/21 – UNAUDITED

10.1 The Chief Finance Officer outlined the report, which asked members to note the unaudited Statement of Accounts for 2020/21 as set out in Appendix 1. It was not normal practice to bring unaudited accounts to the Committee, however it was felt prudent due to the timeframes and significant movements due to Covid.

10.2 The following comments were made and clarifications provided:

- The report was very good, especially the narrative section which will help members of the public understand the accounts.
- The figures should not change significantly, however there may be changes to accounting treatment.
- The Chief Finance Officer and her team were thanked for their hard work in bringing the accounts up-to-date.

RESOLVED:

- The Audit and Accounts Committee noted the unaudited Statement of Accounts for 2020/21 as set out in Appendix 1.

11. ACCOUNTS PUBLICATION AND AUDIT DELAYS

11.1 The Chief Finance Officer outlined the report, which asked members to note the contents of the report.

11.2 The following comments were made and clarifications provided:

- It was acknowledged the timescales for bringing the accounts up-to-date were tight.
- A new finance system had been implemented in June which had caused some slippage, however a number of staff had now received training.
- It was noted that other Local Authorities were having issues with public sector audit challenges, not just Rossendale.
- Software was in place to assist.
- It had been difficult to interrogate data pre-2020 as none of the current team were in post at that time. It was noted that the previous Finance Manager was providing assistance.
- The Finance Team were thanked for their hard work.

RESOLVED:

- The Audit and Accounts Committee noted the contents of the report.

12. EXTERNAL AUDIT PROGRESS REPORT 2018/19

12.1 The Director of Public & Social Sector, Mazars, outlined the report which asked members to

consider the progress made on the 2018/19 audits.

12.2 The following comments were made and clarifications provided:

- The 2018/19 audit work has been started, but has been paused to enable the Council's finance team to produce the outstanding Statements of Accounts over the summer. The resulting queries would be discussed with the team and once answered, the accounts would be ready for consideration.
- It would be difficult to complete a number of years' audits in tandem. This would also create more work for the team.
- The following years' audits should become easier as knowledge is built and issues are addressed.
- The auditors were thanked for supporting the Finance Team.

RESOLVED:

- The Audit and Accounts Committee considered the External Audit Progress Report for 2018/19.

13. INTERNAL AUDIT ANNUAL REPORT AND ASSURANCE OPINION 2022/23

13.1 The Audit Manager, LCC, outlined the report which asked members to consider the Internal Audit Annual Assurance report for 2022/23. It was noted that the Rossendale Leisure Trust audit had been cancelled as this was completed by Grant Thornton.

13.2 The following clarification was provided:

- An action had been raised with the Legal Team regarding the debt collection procedure. This was being taken forward by the Head of Legal.

RESOLVED:

- The Audit and Accounts Committee considered the Internal Audit Annual Assurance report for 2022/23.

14. INTERNAL AUDIT PROGRESS REPORT Q1 2023/24

14.1 The Audit Manager, LCC, outlined the report which asked members to consider the Internal Audit Progress report for Quarter 1 2023/24. Following a meeting with the Chief Executive, two more audits had been added to the plan.

RESOLVED:

- The Audit and Accounts Committee considered the Internal Audit Progress report for Quarter 1 2023/24.

15. CONSIDER THE INTERNAL AUDIT CHARTER APPROVED BY LCC

15.1 The Head of Internal Audit, LCC, outlined the report which asked members to consider the changes and approve the Internal Audit Charter.

15.2 The following comments were made:

- The Charter was a useful document.
- It was important to maintain independence.

RESOLVED:

- The Audit and Accounts Committee considered and approved the Internal Audit Charter.

16. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

- That the public and press be excluded from the following items of business under Section 100(A)(4) of the Local Government Act 1972 since the items involved the likely disclosure of exempt information under Paragraphs 1 and 2 of Schedule 12A to the Local Government Act 1972.

17. STANDARDS COMPLAINTS UPDATE (VERBAL)

- 17.1 An update was provided in relation to Standards Complaints.

RESOLVED:

- That the update was noted.

18. WHISTLEBLOWING UPDATE (VERBAL)

- 18.1 An update was provided in relation to Whistleblowing.

RESOLVED:

- That the update was noted.

The meeting concluded at 7.25pm

Signed (Chair)

Date

Subject:	Quarter 1 Corporate Risk Register Update (April, May and June) 2023/24	Status:	For Publication
Report to:	Audit and Accounts	Date:	27 th September 2023
Report of:	Chief Finance Officer	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:	karenspencer@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. EXECUTIVE SUMMARY

- The Quarter 1 (Q1) Corporate Risks Register Update is reporting for months January, February and March.
- The report includes updates for the Council's 9 Corporate Risks.
- Overall, the Council's performance is strong but the growing financial pressures are creating cost pressures which the Council must monitor closely as the year progresses.
- The report concludes 2 Corporate Risks rated 'red' on the RAG status.

3. BACKGROUND

- 3.1 The Council details its approach to managing risk in its Risk Management Strategy. This was updated in March 2016.
- 3.2 The strategy sets out the framework of monitoring and reporting of risks. The Council has identified 9 Corporate Risks and these are monitored via the quarterly performance management reporting schedule using a RAG rating dashboard to report the risk status. These are reported to both the Overview and Scrutiny Committee and Cabinet.
- 3.3 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. OVERALL SUMMARY OF PERFORMANCE

- 4.1 The Council has reviewed and continues to monitor the Council's Corporate Risks.
- 4.2 The Corporate Risks are categorised at the end of Q1 as follows:

	Quarter 1 2023/24
Low	3
Medium	4
High	2

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 (MTFS)	B	1	B1	RED

The 2022/23 outturn improved from the estimated position that was included in the February 2023 MTFS, this has slightly helped the reserve balances. However, if nothing else changes the Council is currently estimated to run out of reserves during 2026/27.

Officers continue to investigate alternative delivery mechanisms and seek to maximise efficiencies and make savings wherever possible, although following the years of austerity the Council has already suffered, opportunities for making savings without affecting service delivery are minimal.

The Corporate Management Team are now reviewing the need for all vacant posts prior to recruitment and have introduced a freeze on non-essential expenditure. The Empty Homes scheme continues to have an adverse impact on the MTFS. Officers continue to monitor and manage the scheme closely.

Corporate Risk 11	Likelihood	Impact	Overall risk	Status
Financial Sustainability of Council Owned Leisure Assets	A	2	A2	RED

An external assessment has been carried out of the financial sustainability of council owned leisure assets by Grant Thornton, which has made a number of recommendations that were agreed by Full Council in May 2023. This is now a focus of action. A cross party working group has been established to monitor the delivery of the recommendations. One of the facilities has been closed – Whitworth Leisure Centre. Continued monitoring and associated action continues.

4.4 The risks will continue to be monitored by Management Team on a regular basis.

5. FINANCE

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

6. LEGAL

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

7. POLICY AND EQUALITIES IMPLUICATIONS

7.1 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.

8. REASON FOR DECISION

8.1 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

Corporate Risk Register

Risk 1 – Sustainability of the Medium Term Financial Strategy

Responsible Officer - Karen Spencer

Description

The Council's latest Medium Term Financial Strategy (MTFS) update published February 2022 indicates an underlying funding gap of c£600k per annum from 2023/24 onwards. 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. The current cost of living crisis may also add to the pressure on the MTFS through pay award, utility costs, contract inflation and Council Tax/NNDR collection rates.

Risk Consequence

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.

Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	

Mitigation

The MTFS does not indicate a significant narrowing of the gap in the next four years. 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.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	

Q1 Update

The 2022/23 outturn improved from the estimated position that was included in the February 2023 MTFS, this has slightly helped the reserve balances. However, if nothing else changes the Council is currently estimated to run out of reserves during 2026/27. Officers continue to investigate alternative delivery mechanisms and seek to maximise efficiencies and make savings wherever possible, although following the years of austerity the Council has already suffered, opportunities for making savings without affecting service delivery are minimal. The Council is striving to maximise income opportunities where possible. The Corporate Management Team are now reviewing the need for all vacant posts prior to recruitment and have introduced a freeze on non-essential expenditure. The Empty Homes scheme continues to have an adverse impact on the MTFS. Officers continue to monitor and manage the scheme closely.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	B	1	B1	

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	Impact	Overall Risk	Status
C	1	C1	

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. The council is a member of Lancashire County Council Local Resilience Forum (LRF). Officers attend meetings and undertake regular training exercises. The council 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	Impact	Overall Risk	Status
C	2	C2	

Q1 Update

The Council's Local Emergency Plan is undergoing a full review to ensure it is up to date, particularly in respect of senior personnel changes. Work has continued with Lancashire County Council Emergency Planning Team to update Rest Centre information and contacts. Emergency Planning Team meetings continue to be held quarterly. A robust system is in place for out of hours emergencies, including an on-call telephone rota of Senior Council Officers, out of hours arrangements with Capita and emergency arrangements with Lancashire County Council/Local Resilience Forum. The action plan following the testing of the Council's ICT business continuity arrangements in Q4 2022/23 is being implemented. The planned liaison meeting for the borough's only Control of Major Accident Hazards site was cancelled in June, due to another ongoing incident and will be rescheduled during Q2. Officers continued to attend LRF meetings, including those relating to flooding and terrorism.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
C	2	C2	

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 who may be affected by our work. In the event of a RIDDOR reportable accident, there is a risk of an HSE investigation and potential for a civil claim for damages.

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	

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. The council is a member of Lancashire County Council Local Resilience Forum (LRF). Officers attend meetings and undertake regular training exercises. The council 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	Impact	Overall Risk	Status
E	2	E2	

Q1 Update

Work has continued to implement the Health and Safety Action Plan. Progress has been made in relation to wellbeing, with mental health awareness activities and the delivery of a staff wellbeing day for all staff and elected members. Work to progress health and safety risk management is behind schedule and is dependent on the corporate strategy being agreed. 26 health and safety reports were received during Q1. Two accidents have been reported to the Health and Safety Executive under RIDDOR requirements and no further contact has been received from Health and Safety Executive in respect of the two reported cases of Hand Arm Vibration Syndrome. Ongoing management of vibration in Operations is being monitored. The programme of workplace inspections for 2023/24 is ongoing and on target.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
D	2	D2	

Risk 4 – Changes to Government policy on the delivery of the Council’s services**Responsible Officer - Rob Huntington****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	

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	

Q1 Update

The Council continues to be a member of the Local Government Association and District Councils Network. The Chief Executive regularly attends the NW Chief Executive, and Lancashire Chief Executive meetings, both having representation from the LGA. Corporate Management Team weekly review recent policy announcements from government departments to determine any appropriate action required.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
E	2	E2	

Risk 5 – 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	

Mitigation

The council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework and Service Area Business Continuity Plans in place to mitigate any staffing challenges such as loss of staff due to the impact of an epidemic or pandemic. HR will work with managers to develop workforce succession planning. The council provides an attractive benefit package including final pension scheme, flexible working, generous annual leave, a purchase leave scheme, free onsite parking, family friendly policies, discounted gym memberships and a cycle scheme to attract and retain staff.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
E	3	E3	

Q1 Update

Recruitment activity has reduced from Q4 and has remained relatively low throughout Q1, although key roles within the Operations Workshop have remained vacant. With the exception of the Director of Communities all senior roles are fully occupied.

Benchmarking has shown the overall sickness absence for 2022/23 is comparable to other East Lancs authorities. Sickness absence for Q1 is slightly higher than the performance measure's set target, due to 2 long term sickness absences within Operations. The main reason for sickness absence is other musculo-skeletal at 152 days, followed by 83 days due to stress, depression, anxiety, fatigue. Covid-19 related absence continues to remain low with 16 days lost.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
D	3	D3	

Risk 6 – 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 General Data Protection Regulation (GDPR), Payment Card Industry Data Security (PCI-DSS).

Initial risk assessment RAG status (without mitigation)

Likelihood	Impact	Overall Risk	Status
C	1	C1	

Mitigation

To protect against a data breach the council, host all council data in Tier 3 Data Centres located in different geographical regions and are backed up daily. The council's Data Centres hold the following accreditations: ISO27001:2013, PCI-DSS. The council adopts a Risk Insight approach to determine the threat Landscape and more importantly its evolution. The council 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	

Q1 Update

Rossendale have completed the Memorandum of Understanding (MOU) and compliance audit. The MOU details the required security standards and processes that have to be met in line with Department of Working Pensions requirements. As part of the MOU all user access to the data is being reviewed to determine if required. In addition, the password complexity and length has also been increased for all Revenue and Benefit accounts in conjunction with the adoption of multi factor authentication to access the systems remotely.

Rossendale have implemented the domain management service which sits in the Central Digital and Data Office and is part of the Cabinet Office. The service helps to secure public sector domains and protect them from cyber-attack and domain hijack. This reducing the risk of attack to services such as email, websites and digital services. In addition, vulnerability scanning has been completed for Rossendale external IP addresses.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
D	1	D1	

Risk 7 – 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 effective and efficient 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	

Mitigation

Communication methods are in place to support face to face, mail or electronic communications with a developed website and social media channels to provide 24/7 communication service. The council has an experienced public relation and 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	

Q1 Update

Viva PR has continued to deliver the agreed communications including updates to the Council's website and social media posts to residents, businesses and communities. A new Council Communications Strategy and Plan has been developed. Corporate Management Team receive a periodic update, which includes communications horizon scanning and potential risks. Viva PR has provided crisis communications work, guidance and advice during the Whitworth Leisure Centre closure announcements and has acted as a point of contact and buffer for the media. Press statements have been developed and a define stance has been taken when answering media questions. 12 positive press releases were issued resulting in over 100 pieces of media coverage. All of these pro-active positive releases help to promote the Council externally. The recycling 'Check Before You Chuck' campaign won a regional PR campaign award in the PRCA Public Sector category and has been submitted for the National Recycling Awards later this year.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
E	1	E1	

Risk 8 – Non – Delivery of Corporate Projects

Responsible Officer - Rob Huntington

Description

The council has agreed the 11 corporate projects for 2022/2023 to support the delivery of Corporate Plan.

Risk Consequence

Failure to deliver the corporate projects would have a detrimental impact on the delivery of the council's Corporate Plan 2021-25, 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
C	2	C2	

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. The 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	

Q1 Update

A revised programme to support the delivery of the Valley Plan 2021-25 – Our Place, Our Plan has been produced and agreed with the Corporate Management Team, with appropriate governance and programme sponsorship in place.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
E	2	E2	

Risk 9 – Financial Sustainability of Council Owned Leisure Assets

Responsible Officer – Rob Huntington

Description

National lockdowns due to Covid-19 resulted in council owned leisure facilities closing for extended periods. During closure no income was received and outside of lockdown periods, income was significantly reduced. The cost of living crisis will have a significant negative impact on utility and salary costs for the Trust. This has impacted the financial sustainability of the Trust.

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 was managed in 2021/22 through additional government grants and council support, however the real impact is likely to be felt in 2022/23.

Initial risk assessment RAG status (without mitigation)

Likelihood	Impact	Overall Risk	Status
A	2	A2	

Mitigation

A report on the impact of all facilities has been produced by KKP and recommendations to minimise impact have been 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 has been received though this is limited in its amount and did not cover retrospective losses. Constant monitoring of future business plans and work in partnership to maximise income and reduce costs continues.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
A	2	A2	

Q1 Update

An external assessment has been carried out of the financial sustainability of council owned leisure assets by Grant Thornton, which has made a number of recommendations that were agreed by Full Council in May 2023. This is now a focus of action. A cross party working group has been established to monitor the delivery of the recommendations. One of the facilities has been closed – Whitworth Leisure Centre. Continued monitoring and associated action continues.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
A	2	A2	



Draft Annual Governance Statement 2022/23

Annual Governance Statement: Year Ended 31st March 2023

1) Scope of responsibility

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. In discharging this overall responsibility, the Council has put in place arrangements for the governance of its affairs, facilitating the effective exercise of its functions and which includes arrangements for the management of risk.

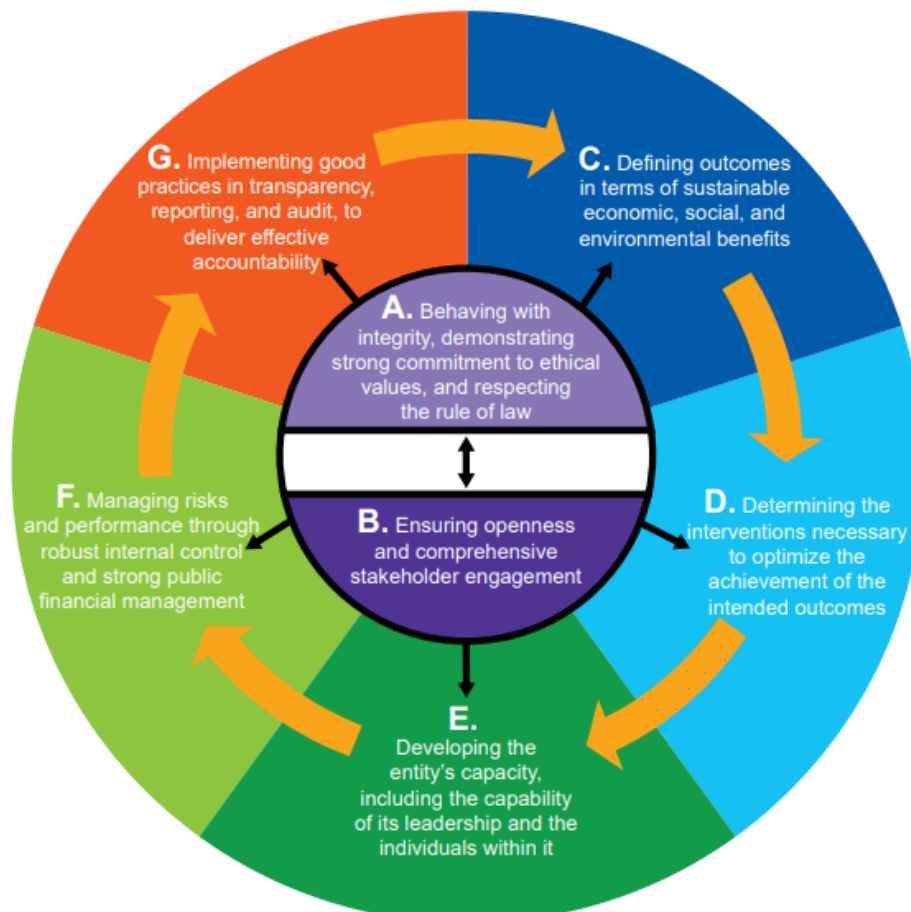
This Annual Governance Statement provides an overview of the Council's key governance systems and explains how they are tested and the assurance that can be relied upon to show that those systems are working effectively. The statement comprises an overview of the key elements of its governance framework and what evidence has been received in order to determine the effectiveness of the Council's governance arrangements. In addition the statement contains an update on areas for improvement which were identified last year together with proposed areas for improvement for the coming year.

What is Corporate Governance?

Corporate governance refers to the processes by which organisations are directed, controlled, led and held to account.

Rossendale Borough Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. This statement explains how Rossendale Borough Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, regulation 6(1), which requires all relevant bodies to prepare an annual governance statement.

CIPFA's framework for Good Governance in the Public Sector defines the principles against which the Annual Governance Statement reports:



2) The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Rossendale Borough Council for the year ended 31 March 2023 and up to the date of approval of the annual report and statement of accounts.

During this period the Council has continued to deal with the recovery from the COVID-19 pandemic. The pandemic continued to impact both operationally and strategically and the Council sought to meet the challenges presented by the pandemic whilst continuing to implement Government policy changes.

3) The Governance Framework

Key elements of the systems and processes that comprise the authority's governance include arrangements for:

Principle A: *Behave with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law*

The Council has a formal Constitution which is reviewed annually, amended as required and made publicly available on our website at www.Rossendale.gov.uk. The Constitution sets out how we operate, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for us to choose.

The Constitution includes the following documents which provide guidance for officers and Councillors on the standards of behaviour expected to ensure integrity:

- Code of Conduct for Members (Councillors)
- Code of Conduct for Employees
- Roles & Functions of all Councillors

The Council's Monitoring Officer maintains the Codes of Conduct up to date and investigates any suspected breaches. Alleged breaches of the Members Code of Conduct are conducted in accordance with an agreed protocol. Councillors sign a formal declaration agreeing to abide by the Code of Conduct. For staff, the Employee Handbook sets out the requirements and standards expected and this forms part of the staff induction process.

The Council also has established a set of core values which are intended to underpin all that we do. These are published as part of our Corporate Plan and include the following ethical values:-

- Pride - We take pride in the way we help our residents and are proud to work for the council
- Passion - We are ambitious for Rossendale, enthusiastic and want to improve resident's lives
- People - We work together, treat everyone with respect and take ownership of problems

Underpinning everything we do is our commitment to equality, diversity, transparency, inclusion, sustainability and value for money.

Staff and Councillors are made aware of other policies relevant to this principle of the framework including the Council's Anti-Fraud and Corruption, Bribery and Whistleblowing Policies. These arrangements are reviewed and reported on via the Council's Audit and Accounts Committee, being the Committee charged with oversight of the governance arrangements at the Council. At the heart of these policies is the requirement for all relevant parties to act with integrity.

There have been no standard complaints in year that have raised any serious concerns in respect of Member behaviour.

All Councillors have to register and declare certain pecuniary interests such as employment, land holdings and contracts with the Council. The register of interests is available on our website at www.rossendale.gov.uk. Councillors must declare such interests at meetings which they attend. There are also procedures laid down for staff and Councillors relating to the receipt of gifts and hospitality.

All Council decisions have to consider legal implications. These are set out in reports to Councillors which are published on the Council's website. The Council's Constitution sets out the responsibility for decision-making. Certain decisions are reserved to full Council with others delegated to the Cabinet or other Committees each acting in accordance with parameters set out in the Constitution.

A number of areas are delegated to officers for the purposes of decision-making; however, limits on the exercise of delegation are laid down in an approved Scheme of Delegation to Officers within the Constitution. The Council's legal team will advise on the legal implications of proposed decisions and where necessary will engage external legal advisors. The Council's Monitoring Officer and Section 151 Officer have specific responsibility for ensuring legality, for investigating any suspected instances of failure to comply with legal requirements, and for reporting any such instances to Councillors.

Principle B: *Ensure openness and comprehensive stakeholder engagement*

Our Corporate Plan identifies and reiterates our commitment to working with partners, volunteers, and our residents. Performance management against key actions, performance measures and risks represent an essential part of our assurance and accountability process to our residents and our partners.

All decisions of the Council are made in accordance with principles laid down in the Constitution and include the following:-

- a presumption in favour of openness
- explanation of the options considered and the reasons for decisions.

All meetings of the Council, Cabinet and other Committees are open to the public.

Agenda papers and reports together with the Minutes of all meetings are publicly available on the Council's website unless they are exempt from publication.

The Council's guidance on, the role of a Councillor, contains the following which reinforces the importance of openness requiring Councillors to:

- Contribute to the governance of the area and actively encourage community participation and citizen involvement in decision making

The Code of Conduct for Councillors also outlines the following requirements:-

Councillors must:

- Impartially exercise their responsibilities in the interests of the local community
- not improperly seek to confer an advantage, or disadvantage, on any person
- avoid conflicts of interest
- exercise reasonable care and diligence

- ensure that public resources are used prudently in accordance with the Councils requirements and in the public interest.

The Council undertakes consultation on specific topics. The Council also makes use of social media via Facebook, Instagram and Twitter.

The Council is committed to publishing information freely and to develop further our culture of openness and transparency and publishes information in accordance with the Local Government Transparency Code. The Council's Freedom of Information Publication Scheme provides a general guide for the public in terms of what information should routinely be available to them by either accessing our website or upon request.

Partnership working is important and the Council has in place a wide range of arrangements ranging from small scale local groups (e.g. Civic Pride groups) to larger and more formal partnerships (e.g. public/private partnership with Rossendale Leisure Trust and Capita).

Principles C & D – *Defining outcomes in terms of sustainable benefits (economic, social and environmental) and determining the interventions necessary to achieve them.*

The Council's strategic vision for the Borough is set out in our Corporate Plan. Our vision is *To have a thriving economy, built around our changing town centres, creating a quality environment for all and improving the life chances of all those living and working in our borough*. We aim to achieve this by working on our four priority areas:

- Thriving Local Economy
- High Quality Environment
- Healthy and Proud Communities
- Effective and Efficient Council

Underpinning our Corporate Plan are robust business plans for each of our service areas. These detail how we will deliver the strategy, our vision and priorities. They also detail how we will continue to deliver services to our residents and meet our financial challenges.

In December 2021 the Council adopted its Local Plan, this was a major milestone in setting out the spatial policy for the Borough. By adopting the Local Plan the Council is able to bring forward its strategic aims, ensure it has greater control over the development that takes place in the Borough and that it is accompanied by appropriate infrastructure improvements as well as other local facilities and is of a design suitable for Rossendale. It will also assist in addressing the Council's climate change priorities as well as meeting the needs of the Borough's residents. Linked to this the Council has gone on to develop and publish a series of development management policies against which to measure planning applications.

Service areas are required to set, monitor and manage agreed targets for performance. Performance against and achievement of expected outcomes is monitored regularly via the Council's corporate performance management system and reported quarterly to Councillors and the Management Team. Where expected performance is not being achieved intervention measures are considered and implemented where appropriate.

In relation to the buying of goods and services, staff must comply with the Council's Contract Procedure Rules. These set out relevant considerations when reaching decisions on award of contracts and include relevant environmental and sustainability aspects including the achievement of 'social value' in addition to cost.

Decisions on the overall level of resources allocated are taken by the Council following recommendations from the Cabinet. Resources and spending plans are critically reviewed to optimise their use and level of fit with the Council's objectives. Financial planning arrangements are well established and underpinned by a four year forward projection as part of the Council's medium term financial planning arrangements. This includes both capital and revenue budgets.

Principle E - *Develop the entity's capacity, including the capability of its leadership and the individuals within it*

At the heart of this principle is the Council's commitment to *'Have a skilled and happy workforce, where we are able to retain and attract good staff'*. The aim is to ensure that, as an organisation, we are suitably placed to deliver the priorities identified for Rossendale and its residents. To do this we will employ the right people with the right skills in the right job. We will maintain robust financial processes, standards and systems optimising the technology and resources we have available to us, making us more efficient and effective in our service delivery and becoming digital by default.

In recent years the Council has invested in training programmes to enhance organisational development, develop leadership skills and promote a coaching culture with staff at all levels encouraged to be innovative and challenge the normal way of doing things. All staff take part in annual personal development reviews which include consideration of their individual training and development needs. A range of training methods and resources are applied and feedback is actively encouraged to assess the benefit of investment in training. The Council has developed a Training and Development plan, organisational development strategy and a wellbeing strategy. Training is available for Councillors including induction and topic specific matters in addition to what is available from organisations such as the Local Government Association.

Capacity is enhanced via a range of partnerships and collaborative arrangements, as well as our commissioning and procurement processes through which the Council operates a mixed economy approach to delivering services in the most effective and efficient way. Service delivery models include, in-house, external outsourced (CAPITA Revenues & Benefits Partnership), transfers to external partners (Rossendale Leisure Trust). On a regional and sub-regional basis the Council works closely with the Lancashire Enterprise Partnership and Pennine Lancashire bodies notably in areas such as economic development, regeneration and skills/training. It also works closely with local colleges on training provision.

Leadership roles are well defined at the Council for staff and Councillors, distinguishing for example the role of Council Leader and the officer being the Head of Paid Service (i.e. the Chief Executive). A protocol is included in the Council's Constitution which reflects the principles underlying the respective Codes of Conduct which apply to Members and Employees. The shared object of these codes is to enhance and maintain the integrity of local government and therefore, demands high standards of personal conduct.

The Council is committed to a culture of continuous improvement and has a focus on service delivery and effective performance management. Peer learning is encouraged and in November 2021 the Council undertook a Peer Challenge review led by the Local Government Association to provide an assessment and feedback on,

- Corporate and placed-based prioritisation
- Climate Change
- Governance/Commercialisation.

The Organisational Development Strategy acknowledges the essential role staff play in the Council's ability to deliver effective services; thus wanting to ensure that every employee fulfils their potential and takes advantage of the development opportunities available to them.

Sustaining organisational resilience is increasingly challenging at a time when headcount is reducing in response to ongoing resource constraints. Set against this, the importance of supporting staff health and well-being is acknowledged and a suite of policies and procedures are in place to help staff maintain their own physical and mental well-being. Examples include the family friendly policy and the operation of flexible working for most staff. In addition the Council has invested in an Employee Assistance Programme to provide staff with access to a variety of support and guidance to aid their wellbeing.

Principle F - *Managing risks and performance through robust internal control and strong public financial management*

The maintenance of systems and processes to identify and manage the key strategic and operational risks is integral to the achievement of the Council's objectives. The Council's **risk management framework** continues to evolve and presently includes the following arrangements:-

- Risk Management Strategy
- arrangements for the Strategic Risk Register comprising corporate risks assigned to designated officers, with appropriate counter-measures and an action plan established for each key risk
- Frequent review of risks in-year with reports to the Council's Management Team, Cabinet and the Audit and Accounts Committee
- the use by Internal Audit of a risk based approach in the preparation and delivery of the internal audit plan
- the requirement for Officers of the Council to consider risk management issues when submitting reports to Committee for consideration by Councillors
- a suite of policies and procedures in relation to Whistleblowing, Anti-Fraud and Corruption, and Anti-Money Laundering
- a suite of Business Continuity Plans are in place, i.e. Rossendale Emergency Plan, Service Area Business Plans and a Business Recovery Plan for critical services
- Councillors and officers have previously been trained in risk management and the Leader of the Council is briefed on the strategic risks faced by the Council. Managers have the responsibility for the effective control of risk, and all service plans have a section on risk management.
- Corporate Governance including risk management, incorporating the key strategic risks for the Council, are the subject of quarterly reports to Cabinet and the Audit and Accounts Committee.
- The Corporate Management Team review the Corporate Risk Register to ensure that risks are being actively monitored and managed and risk scores are included for all identified strategic risks as a means of providing much greater focus on those areas where risk management can be effective. Details of changes are reported to the Audit and Accounts Committee.
- The Chief Executive, as the Council's Head of Paid Service, is responsible for the corporate management of the Council, taking an active role in the corporate governance arrangements, including the organisation of the Council's staff and ensuring that appropriate internal control mechanisms are in place to achieve the Council's objectives in the most economical, efficient and effective way.
- The Head of Legal is appointed the Council's Monitoring Officer. The appointment of a Monitoring Officer is required in accordance with Section 5 of the Local Government and Housing Act 1989. It is the function of the Monitoring Officer to report to Members upon any contravention of any enactment or rule of law or any maladministration by the Authority. The Monitoring Officer also has responsibilities under the Council's Ethical Framework relating to the Members' Code of Conduct and the Standards Regime.
- The Chief Financial Officer is designated as the officer with statutory responsibility for the proper administration of the Council's financial affairs, in accordance with Section 151 of the Local Government Act 1972.
- The three statutory officers referred to above have unfettered access to information and to Councillors on the Council so that they can discharge their responsibilities effectively. The functions of these Officers and their roles are clearly set out in the Council's Constitution. In particular, the role of the Chief Financial Officer at the Council accords with the principles set out in CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

An established **financial management framework** comprising the following:-

- Financial and Contract Procedure Rules as part of the Constitution
- Medium term financial planning using a four-year cycle, updated annually, to align resources to corporate priorities

- Service and financial planning integrated within the corporate performance management cycle
- Annual budget process involving scrutiny, challenge and consultation
- Annual review of the adequacy of the level of financial reserves
- Regular monitoring by management of revenue and capital budgets with reports to Management Team and Cabinet
- Annual reports to Councillors on both the final revenue and capital out-turns compared to the approved budget
- Continuous challenge of the scope for securing efficiencies and service improvements
- Production of an annual Statement of Accounts compliant with the requirements of local authority accounting practice
- Compliance with the requirements established by CIPFA, the public sector accountancy body
- A regular review of the Council's Financial Management arrangements.

During 2022/23 the financial context of the Council worsened considerably due to inflation for utilities, supplies and services and the pay award. In addition, an increased demand for services in response to the cost-of-living crisis has led to considerable in-year and future year pressures.

A **performance management framework** which provides an explicit link between the corporate priorities and personal objectives of staff and their training and development needs. Performance is reported to Councillors and the Management Team on a systematic basis with areas of poor performance investigated proactively. Key features of the Performance Management Framework include:-

- An annual review of the Corporate Plan to ensure that priorities are reviewed, remain relevant and reflect the aims of the Council
- Service Plans produced with explicit goals and associated performance targets in order to ensure that achievement of performance is measurable
- The Council's staff appraisal system – Annual Personal Development Reviews link personal objectives directly to Service Plans
- Regular reports on the performance of key indicators which are presented to Councillors and Officers

Significant projects are controlled by project management techniques and overseen by a Programme Board. The Board meets quarterly and receives updates on project performance and delivery.

An **Information Governance Framework** which sets out the way we handle and process information, in particular, the personal and sensitive data relating to residents, suppliers and employees. Key features of the information governance framework include:-

- A suite of policies and procedures on the Council's Information Security which are available on the Intranet for all staff to review
- Arrangements for document management and retention
- A Data Protection Policy and Procedure with nominated staff responsible for providing advice and guidance on Data Protection matters
- Compliance with the Local Government Transparency Code and provision of Open Data on Council website
- A system for dealing with requests for information submitted to the Council under the Freedom of Information Act 2000 (including a regular review of the Council's Publication Scheme)
- Regular reviews of the Council's Information Governance and Security arrangements by Internal Audit and external assessors.

The Internal Audit function operates in accordance with the statements, standards and guidelines published by the Auditing Practices Board, CIPFA (particularly the Public Sector Internal Audit Standards) and the Institute of Internal Auditors. The Internal Audit function examines and evaluates the adequacy of the Council's system of internal control.

The Council has partnered with Lancashire County Council (LCC) for the delivery of the Internal Audit function. LCC provide an independent and objective appraisal function for reviewing the system of internal control. This is in compliance with Regulation 5 of the Accounts and Audit Regulations 2015 that specifically requires a local authority to undertake an adequate and effective system of internal audit. This work is delivered by way of a Strategic Audit Plan developed using a risk-based approach. The Internal Audit plan is agreed and monitored by the Audit and Accounts Committee. The Audit Manager is required to give an opinion on the adequacy of the Council's system of internal control each year and report to the Audit and Accounts Committee. This Committee can make recommendations or highlight any matters requiring attention to the Cabinet and Council.

Lastly, each member of Management Team is required to sign an Assurance Statement in relation to a range of key controls operating in their area of work. This specifically seeks assurance from Senior Managers that, other than those identified during the course of their normal work or by Internal Audit, they are not aware of any weaknesses in the Council's systems of internal control.

Principle G - *Implement good practices in transparency, reporting, and audit to deliver effective accountability*

Reports to meetings of Council, Cabinet and other committees are publicly available on our website with the Minutes also published showing what decisions have been taken and the reason(s) why. Other forms of public accountability reporting include the annual Statement of Accounts, the Council's Annual Report and in year financial and performance monitoring reports. Reports from external audit are also published online including their annual report setting out the findings resulting from their audit of the accounts.

The Council reports performance against targets and financial targets on a regular basis. The Internal Audit service complies with the requirements of the Public Sector Internal Audit Standards and has direct access to Councillors and all staff in order to discharge its responsibilities.

The Council publishes information in accordance with the Local Government Transparency Code. The Council's website includes a section on Access to Information, which is about being transparent, sharing our information with the wider community, and giving them the opportunity to use that data to build useful applications.

The Council welcomes peer challenge reviews and inspections from regulatory bodies and will act on any recommendations arising as appropriate.

4) How the Council Gains Assurance/Review of Effectiveness

The Council has a responsibility for conducting, at least annually, a review of the effectiveness of its Governance Framework including the system of internal control. This review of effectiveness is informed by the work of the Council's Management Team who have a responsibility for the development and maintenance of the governance environment, the Audit Manager's Annual Report on Internal Audit also reports from the external auditor and any other review agencies and inspectorates.

The purpose of a review is to identify and evaluate the key controls in place to manage principal risks. It also requires an evaluation of the assurances received, identifies gaps in controls and assurances and should result in an action plan to address significant internal control issues.

During 2022/23 work undertaken to maintain and review the effectiveness of the Council's Governance Framework included the following:-

- The Council's Monitoring Officer and the Council in general oversee the operation of the Constitution to ensure its aims and principles are given full effect. The Constitution was most recently reviewed by full Council in June 2022.
- The Council's decision making arrangements operated according to the Constitution, either through the Council, Committees or the Scheme of Delegation. Decisions arising

from these arrangements have been published on the Council's website as required. Where decisions were taken under the Exercise of Urgent Business Protocol these were documented as appropriate.

- The arrangements for scrutiny operate via the Overview and Scrutiny Committee as required, allowing for the review of key policy areas and providing opportunities for public involvement in specific matters of business. This committee receives reports from the Task & Finish group. During 2022/23 the committee didn't receive any reports from the Task & Finish group.
- Further scrutiny of Cabinet decisions is also provided by the Council's Call-In procedures. However where possible Overview and Scrutiny Committee are given the opportunity to input into policies and procedures prior to presentation to Cabinet.
- The Council has operated a Standards regime consistent with the requirements of the Localism Act 2011 during the year.
- The Audit and Accounts Committee met throughout the year and received various reports on the progress by External and Internal Audit against their respective work plans. The Internal Audit annual report was presented to the Committee in July 2023, in which the Council received **Moderate** Assurance overall on the adequacy of design and effectiveness in the operation of the council's framework of governance, risk management and control. The equivalent report was submitted to the Accounts and Audit Committee in July 2022, also receiving **Moderate** Assurance.
- There have been no formal reports during the year from either the Council's Monitoring Officer or Section 151 Officer on matters of legality or financial related concerns. There were also no objections from local electors in respect of the financial statements and supporting information for the previous financial year.

5) Dealing with Last Year's Key Improvement Areas

Last year's Annual Governance Statement highlighted the following areas for improvement. The narrative below sets out the action has been taken to address these issues in the current year:

Area of Concern	Progress Update
A review of the Councils Contract Procedure Rules, this will be led by the Chief Finance Officer and is due for completion at the end of January 2022.	The review was delayed and is now due to be completed in summer 2023. This will include a revised governance process around above threshold contracts and waivers.
The Council continues to recognise the current and future financial challenges in its strategic risk register and MTFs. The 2021 Autumn Spending Review set out three year Department Expenditure Limits for Government Departments but the Local Government Settlement covered just 1 year (2022/23). The situation is further complicated by the unknown outcome of the Government's Comprehensive Spending Review and the delayed Fair Funding Review, therefore there remains a high degree of funding uncertainty within the MTFs. The ongoing Empty Homes scheme also continues to place additional pressure on the MTFs. There is a need to prioritise	In February 2022 the Council agreed a balanced budget for 2022/23, which included a combination of savings and growth items. However the economic crisis and increased inflation, over which the Council has no control, has had a significant adverse impact on the Council's financial position. There also remains uncertainty of the forward estimates of core funding within the MTFs beyond 2022/23 pending the outcome of the Government's Comprehensive Spending Review and the delayed Fair Funding Review. In 2021/22 the Council implemented a 4 year efficiency plan in an attempt to address the funding gap in future years, however further savings will be required in order to achieve a balanced budget. The

<p>resources effectively and identify further efficiency options for the Council to consider as part of the next MTFS to achieve a balanced budget over the medium term. The Council will continue to meet these challenges as it has done in the past, taking steps to manage this by considering modernisation and rationalisation.</p>	<p>Empty Homes Scheme also continues to add to the Councils financial pressures. The progress of the savings plan and the Empty Homes scheme are tightly monitored as part of the Councils embedded financial monitoring process and reported to Cabinet quarterly. The further savings requirements will be reviewed as part of the development of the Council's next MTFS.</p>
<p>The Council is working on a digital strategy with the aim of digitally transforming our services and our approach to Customer Excellence. The strategy will underpin the delivery of our Corporate Plan, being an integral part of transforming the way in which the council delivers its services and how the Council is perceived by residents. This strategy will provide an ambitious vision and work programme which will help transform our approach to delivering services to the residents of Rossendale.</p>	<p>The strategy was adopted in July 2021. During 2022/23 digitalisation of the Council continued to be delivered through the implementation of Citizen Access for Housing, Benefits and Revenues, along with an updated corporate telephony and contact centre application with streamlined customer messaging. Development of the new council website is also progressing as per plan.</p>
<p>During 2022/23 the Council will develop and approve a new Housing Strategy to provide a clear focus on both private sector, rented homes and increasing opportunities to work with registered providers meeting specialist housing needs.</p>	<p>Due to staff turnover within the housing team the strategy was delayed and was adopted by Council in July 2023.</p>
<p>Development work will be undertaken with Overview and Scrutiny members to enable clearer focus on strategic issues to support strategy development. All new strategies will be considered by the Overview and Scrutiny Committee at an early stage to enable identification of strategic priorities for the strategy to be developed appropriately.</p>	<p>External training was carried out for all Overview and Scrutiny members in June 2023. All new strategies are considered by Overview and Scrutiny.</p>
<p>Due to staff turnover there have been delays in producing the annual statement of accounts for 2020/21 and 2021/22. A plan to publish the outstanding accounts will be produced.</p>	<p>A plan has been implemented with the aim of publishing all outstanding draft accounts by the end of September 2023.</p>
<p>The Council has a significant backlog of unaudited accounts. The Council will work</p>	<p>The CFO is working with the Auditors to devise a plan to bring the audit of accounts in line with statutory requirements.</p>

with Mazars to agree a plan to bring the audits up to date.	
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6) Key Areas for Further Improvement

Building on the improvements in 2022/23 the Council has reviewed the governance arrangements and identified the following areas where it wishes to see improvements in 2023/24:

- Financial Resilience - there are significant financial challenges facing the Council in 2023/24, with very little financial flexibility. Additional potential budget options were presented to full Council in June 2023, however beyond that there is little scope for achieving additional in-year savings.

Monitoring of the 2023/24 budget will be undertaken and reported to CMT on a regular basis to determine the corrective action required to balance the budget and protect the level of general reserves.

- Procurement Compliance – review of the procurement support required will be completed by summer and the revised Contract Procedure Rules will be adopted, this will be followed by procurement training for officers.
- Statement of Accounts Publication - due to staff turnover there have been delays in producing the annual statement of accounts. A plan is in place to ensure publication of all outstanding draft accounts by the end of September 2023.
- Accounts Audit - the Council has a significant backlog of unaudited accounts. The Council will work with Mazars to agree a plan to bring the audits up to date.
- Performance Management including Programme Board will be refreshed – there will be more focus on performance management rather than just performance reporting, to ensure that appropriate action is taken within year to address underperformance.
- Risk Management – the strategy and the Corporate Risks will be reviewed, with a cross party working group to be set up including members of the Audit & Accounts Committee and senior officers.
- Policy Framework refresh – ensure all policies are reviewed and updated where necessary.

7) Conclusion

Some of the governance improvements proposed for 2022/23 were delayed as a result of staff turnover, however a number of these are set to be fully implemented and reported to Members imminently. Details of progress are reported above.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for 2023/24 improvements identified and will monitor their progress, implementation and operation as part of our next annual review.

Signed:

On behalf of Rossendale Borough Council

Alyson Barnes

Leader of Council

Rob Huntington

Chief Executive

Subject:	Internal Audit Progress Report July to August 2023/24	Status:	For Publication
Report to:	Audit & Accounts Committee	Date:	27/09/2023
Report of:	Head of Internal Audit (Internal Audit Service)	Lead Member:	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 July to August 2023/24.

2. EXECUTIVE SUMMARY

- To support the Audit and Accounts Committee in fulfilling its responsibility to monitor performance against the internal audit plan.
- 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

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. DETAILS

This paper reports progress with the delivery of each audit on the 2023/24 annual audit plan.

5. RISK

All the issues raised and the recommendation in this report involve risk considerations as set out below: adequacy of Council management of risks in respect of the areas subject to audit.

6. FINANCE

Any financial implications are commented upon in the report.

7. LEGAL

Any legal implications are commented upon in the report.

8. POLICY AND EQUALITIES IMPLICATIONS

Reported findings have been discussed and agreed, including management responses to the recommendations, with respective Service Managers and Heads of Service prior to reporting.

9. REASON FOR DECISION

To support the Audit and Accounts Committee in fulfilling its responsibility to monitor Internal Audit performance.

No background papers.

Rossendale Borough Council

Internal Audit Service

Progress report on delivery of the 2023/24 internal audit plan

July to August 2023



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 2023/24 audit plan, agreed at the March 2023 Committee meeting.

2. Summary of progress against the 2023/24 audit plan

2.1. In March the committee agreed a six-month audit plan to give the new Chief Executive the opportunity to contribute to the audit programme for the second half of the year. We have now agreed a number of additional audits, which are highlighted in the table below. Of the 16 planned audits for the year (excluding follow up work) one has been completed, we have issued four draft reports, two audits are in progress and nine have not been started. Paragraph 3 contains an extract from the final report of the payroll process, where we gave substantial assurance. The table below shows the status of all audits. We have made less progress with audit delivery than planned, as a key auditor has been engaged in urgent work which arose in-year. However, this report only covers two months and I expect to recover the position in the next quarter.

Audit Title	Status	Audit Type	Assurance Opinion
Governance and democratic oversight			
Contract procedure rules	Not started	1+2	
Business effectiveness			
Flexible working from home	Progressing	1+2	
IT critical application review – elections system (MIAA)	Draft Report	1+2	
CCTV systems (MIAA)	Progressing	1+2	
Best Value Duty – Statutory Framework	Not started	1+2	
Service delivery			
Project management	Not started	1+2	
Land charges	Not started	1+2	
Service support			
Customer contact	Not started		
Business processes (follow up and compliance)			
Payroll	Completed	2	Substantial

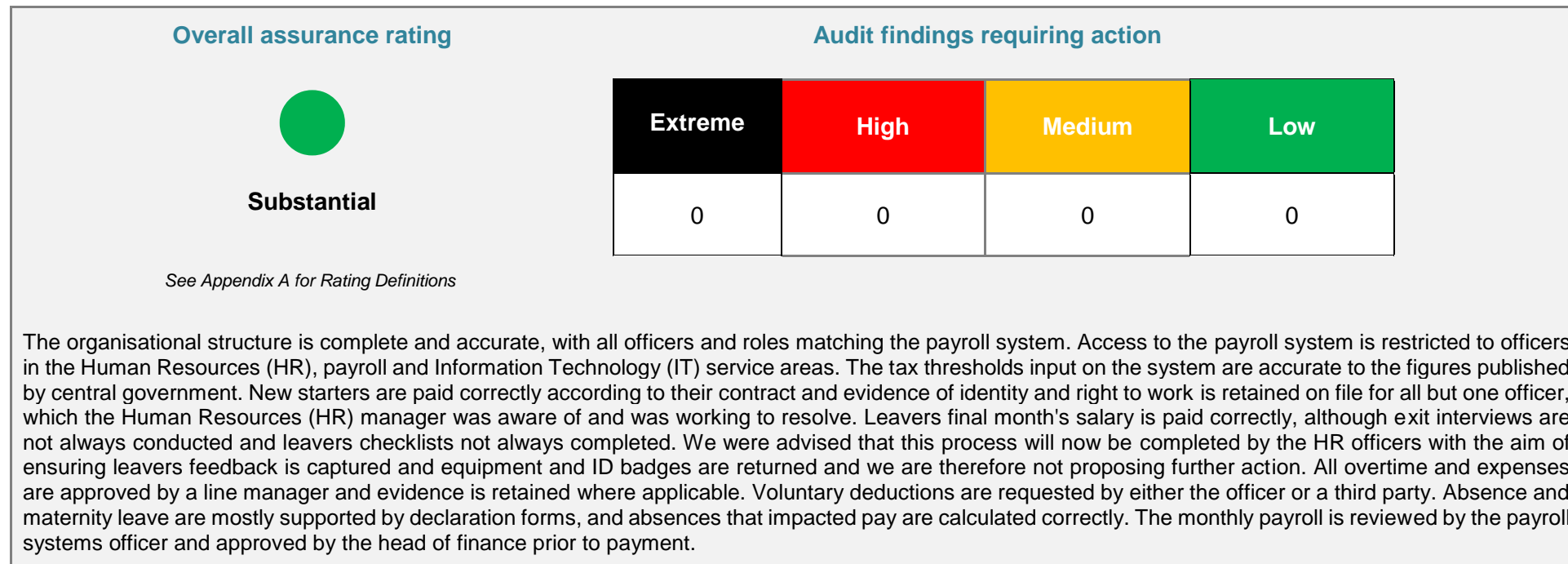
Internal Audit Service - Progress Report 2023/24 July - August 2023

Audit Title	Status	Audit Type	Assurance Opinion
Accounts payable	Not started	2	
Accounts receivable	Not started	2	
General ledger, budget setting and monitoring	Not started	2	
Income collection/ banking	Not started	2	
Council tax	Draft Report	2	
Business rates/ NNDR	Draft Report	2	
Housing benefits	Draft Report	2	
Stage of audit process	Number of audits		
Completed (no report necessary)/ Final Report delivered	1		
Draft report	4		
Progressing (includes follow up audits)	2		
Not started	9		
Deferred/ cancelled	0		
Total number of audits	16		

Follow up of previous audits			
IT threat and vulnerability management (MIIA)	Not started	Follow up	N/A
IT critical application review – HR (MIIA)	Not started	Follow up	
Financial sustainability - Efficiency Savings and Income Targets	Progressing	Follow up	
Delegated decision making by officers	Progressing	Follow up	
Health and safety	Progressing	Follow up	
Sickness absence	Progressing	Follow up	

3. Extracts from Audit Reports

3.1. Extracts of assurance summaries, findings and agreed actions from final audit reports completed in this period are shown below.



2.1 Background

This audit has been undertaken in accordance with the 2023/24 Internal Audit Plan as approved by the Audit, Risk & Governance Committee. The audit covers the period January to August 2023 and has been conducted in conformance with the Public Sector Internal Audit Standards.

2.2 Context

The council uses the Complete Human Resource Information System (CHRIS21) to administer and calculate payroll. HR and payroll functions are undertaken by council officer's and system access is restricted to those in HR, payroll and ICT service.

The council employed 178 officers at the time of our review, with an approximate monthly net pay of £340k.

2.4 Previous audit

Internal Audit Service - Progress Report 2023/24 July - August 2023

An internal audit of payroll was last carried out in September 2022. This resulted in a substantial assurance opinion being issued with no improvement action required.

2.4 Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Non-compliance with tax legislation related to employees, including the incorrect processing of deductions from salaries may lead to fines and penalties being imposed by HM Revenue and Customs;
- Access to the payroll system is not restricted or personal data is not stored securely;
- Unauthorised amendments to pay are processed resulting in inaccurate or untimely payment of salaries;
- Amendments relating to new starters and leavers are processed incorrectly or without sufficient authorisation, potentially resulting assets belonging to the Council being lost or stolen;
- Salaries and deductions are incorrectly calculated leading to employees being over or under paid;
- Bogus employees are set up on the payroll system enabling misappropriation of Council funds.

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 were uploaded to the NFI website. The 2020/21 exercise is now closed and 2021/22 data sets are in the process of being uploaded.

2021/22 biennial exercise	Number						Savings
Data categories	Reports	Matches	Processed		Frauds	Errors	£
Housing benefit	5	17	17	0	0	0	0
Waiting Lists	6	88	2	6	0	1	£8,566
Payroll to payroll/ creditors	3	7	0	0	0	0	0
Creditors - duplicates	5	21	0	0	0	0	0
Council Tax Reduction Schemes	11	97	83	5	0	6	£10,353.43
Value Added Tax	1	5	0	0	0	0	0
Procurement – payroll	2	9	0	0	0	0	0
Multiple Occurrences	16	-	-	-	-	-	-
Total	32	244	109	4	0	8	£18,919.43

- 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. Premium Council Tax data is re-matched against data from a credit agency, for which the council pays a fee. The following Council Tax matches were released in December 2022 and have now been completed.

	Number					Savings
Data categories	Reports	Matches	Processed	Frauds	Errors	£
Premium council tax – SPD electoral register	1	283	283	0	51	£42,250.93
Council Tax rising 18s	1	33	33	0	0	£0
Total	2	316	316	0	51	£42,250.93

Audit assurance levels and classification of residual risk

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 will 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.
- **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.
- **Limited assurance:** there are some significant weaknesses in the design and/ or operation of the framework of control that put the achievement of its 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 its objectives.

Classification of residual risks requiring management action

All actions agreed with management are stated in terms of the residual risk they are designed to mitigate.

- **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.*

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

Audit Progress Report

Rossendale Borough Council

Audit and Accounts Committee September 2023



Contents

1. Audit Progress
2. National publications
3. PSAA Audit Quality Feedback

01

Section 01:

Audit progress

1. Audit progress

Purpose of this report

This report provides the September 2023 Audit and Accounts Committee meeting with an update on progress, since we last reported to the Committee in July 2023 in delivering our responsibilities as your external auditors. It also includes, at Section 2, a summary of recent national reports and publications for your information.

2018/19 Audit

Financial Statements audit

At the July 2023 Committee we reported that the finance team had shifted their focus to produce the Council's unpublished financial statements for 2021/22 and 2022/23 which has resulted in us pausing our audit work for 2018/19. We are in regular contact with the Chief Finance Officer and will plan to recommence our audit of 2018/19 once all the outstanding accounts have been produced.

Value for Money arrangements

We have commenced our work on the Council's value for money arrangements and have requested initial information in order to progress this work. We are awaiting responses and will report back to future committee meetings with our reporting commentary and any recommendations.

At the time of writing the Council have yet to publish its statements of accounts for 2021/22 and 2022/23. The Council now has a plan to publish these by the end of September 2023. We will continue to monitor the Council's progress and will take this into consideration when reporting the outcome of our value for money arrangements work.

02

Section 02: **National Publications**

NATIONAL PUBLICATIONS

	Publication/update	Key points
1	Public Interest Report – Croydon Council	Following the publication of a public interest report in October 2020, Croydon Council commissioned local government expert Richard Penn, through the Local Government Association to compile an independent report on the issues at the council.
2	Local authority administered COVID support schemes in England	This reports evaluate government’s approach in relation to distribution of grants through local authorities, highlight failures and provide recommendation for better management of government grants.

NATIONAL PUBLICATIONS

Public Interest Report

1. Croydon Council Public Interest Report – February 2023

Following the publication of a public interest report in October 2020, Croydon Council commissioned local government expert Richard Penn, through the Local Government Association to compile an independent report on the issues at the council. His report, completed in March 2021, but only just published in February 2023 found that the dysfunctional leadership and poor governance arrangements contributed to the authority's financial collapse.

Fairfield Hall is an arts, entertainment and conference centre situated in Croydon. Refurbishment of this building was agreed by Croydon Council and work was undertaken between June 2016 and September 2019. It was delivered late and cost substantially more than the original £30m budget agreed by cabinet. Originally a Value for Money review, this became a Report in the Public Interest by their Internal Auditors Grant Thornton which highlighted failings of financial control and governance of this project.

The report found that the 'governance gaps' at the time 'prevented scrutiny and challenge that may have allowed corrective action to have been taken.' The report found that the statutory officers and chief officers throughout the time of the refurbishment failed to fulfil their statutory duties. All have since left the council. An action plan will be put in place to address the recommendations arising from this report.

This has led the Council putting in place new measures to address the findings. The Council has overhauled and strengthened its financial, legal, decision-making and other governance processes, and through its Croydon Renewal Plan is creating a new culture of good decision-making, transparency, accountability, and value for money.

It also led the council to undertake an external independent review of its companies and company structures. Following that review, the council's intention is to wind down its development company Brick by Brick once it has completed its outstanding building work. The Fairfield Halls refurbishment contracts were taken back under direct Council control. The full report, which includes a number of lessons that other Councils can learn from, can be seen here:

<https://www.croydon.gov.uk/council-and-elections/budgets-and-spending/reports-and-reviews/report-public-interest-fairfield-halls>

NATIONAL PUBLICATIONS

Public Interest Report

2. Local authority administered COVID support schemes in England

The government introduced a series of grant schemes to help businesses deal with the impacts of the COVID-19 pandemic on their businesses, including the effects of restrictions put in place to protect public health. Using funding from government, local authorities in England distributed £22.6 billion in grants to local businesses between March 2020 and March 2022. There were eight separate schemes that can be grouped into three separate 'cohorts', primarily corresponding to significant waves of COVID-19 restrictions.

HM Treasury decided the key features of each of the schemes, including the types of businesses they should cover and the level of funding available, and the Department for Business, Energy and Industrial Strategy (BEIS) was responsible for their implementation. The Department for Business and Trade (DBT) is now accountable for this funding, including the recovery of money paid out as a result of error or fraud.

The creation and delivery of these grant schemes was a partnership between local authorities and central government. Local authorities were responsible for identifying eligible businesses in their areas and paying grants to them, making 4.5 million payments over the course of the pandemic. BEIS created the detailed guidance for the schemes and oversaw their implementation by local authorities.

The full report, which includes a number of recommendations and conclusions, can be seen here:

<https://committees.parliament.uk/publications/41164/documents/202555/default/>

03

Section 03:

PSAA Audit Quality Feedback

PSAA quality of audit services feedback survey

In August 2023 Public Sector Auditor Appointments Ltd (PSAA) published its fourth annual report on feedback from Finance Directors and Audit Committee Chairs of local authorities on their satisfaction with the audit services provided by local auditors. The feedback was obtained in March 2023 and relates to audit work delivered during 2022. In that year, Mazars was one of five firms delivering local audits to local authorities in England.

This feedback provides the Audit Committee with an independent view on the client service that the Mazars Public Sector Audit team provides in delivering audits under the Local Audit and Accountability Act 2014 and the National Audit Office's Code of Audit Practice.

The overall response rate from the Finance Directors was 47 per cent (220/467) and from Audit Committee Chairs, 30 per cent (142/467).

You can view the full PSAA report at [PSAA-Quality-of-Audit-Services-2021-22-feedback-survey.pdf](#)

We include on the next slides 4 key focus areas from the report.



PSAA quality of audit services feedback survey

Research Report
March 2023

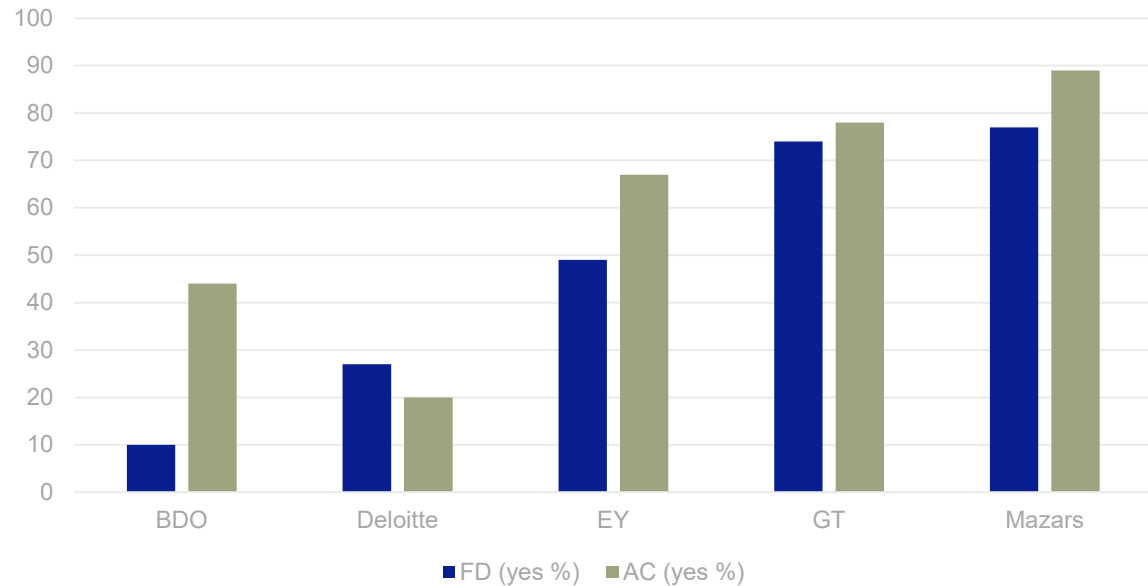
Research



PSAA quality of audit services feedback survey

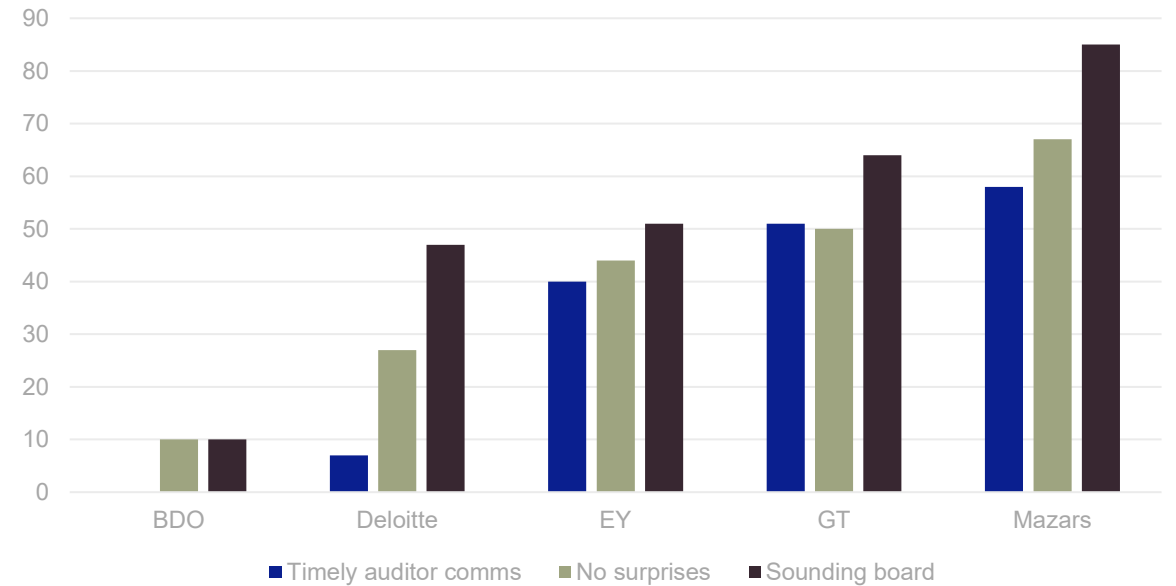
Focus area 1 - To what extent did the audit service meet your expectations?

Did the audit service meet your expectations?



Focus area 2 - To what extent did your auditor provide effective and timely communications? Were the communications timely, with no surprises and was the auditor approachable as a sounding board?

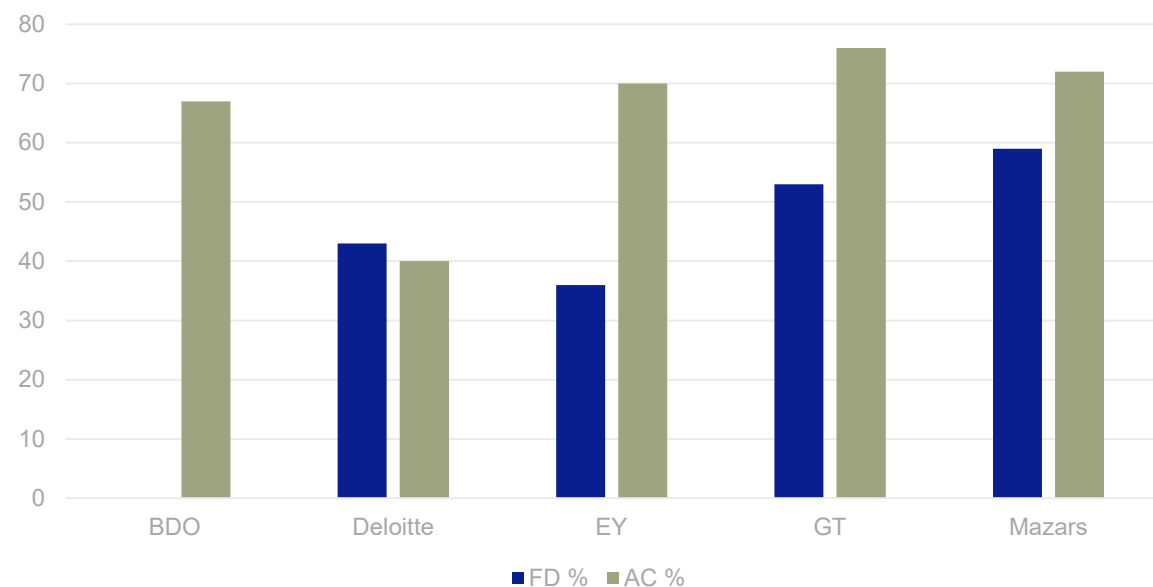
How effective were communications?



PSAA quality of audit services feedback survey

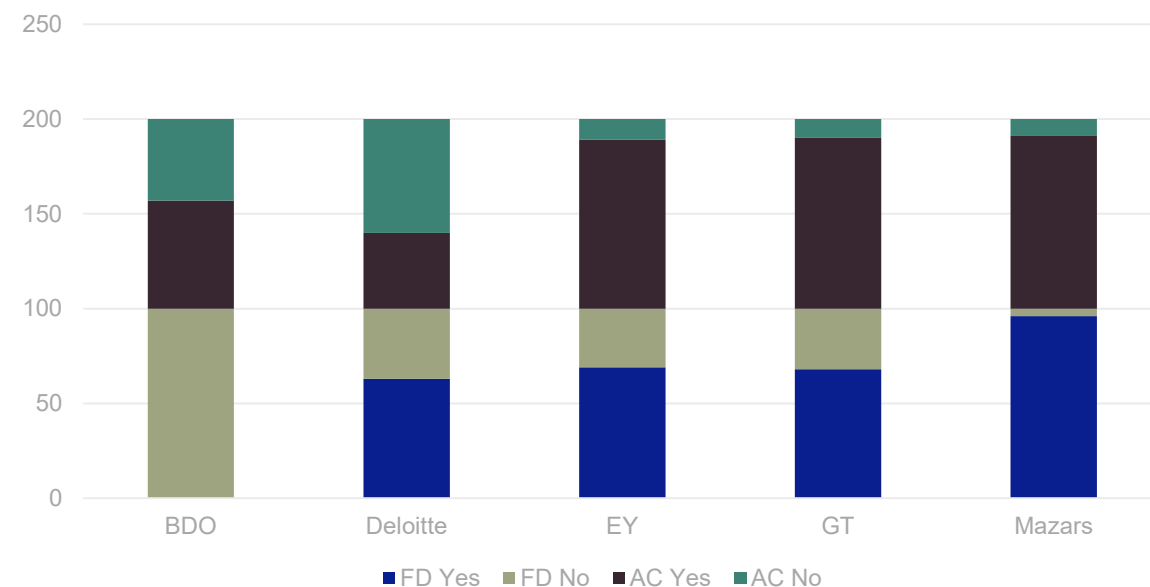
Focus area 3 – How useful did you find the auditor's VFM Commentary (fairly and very useful responses)?

Was the VFM commentary useful?



Focus area 4 – Where significant concerns and weaknesses were identified, were these reported on a timely basis – yes or no?

Were significant matters reported on a timely basis?



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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

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