



Audit Committee

Date: Tuesday, 18 October 2022

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension

This is a **supplementary agenda** containing additional information about the business of the meeting that was not available when the agenda was published

Access to the Council Antechamber

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Membership of the Audit Committee

Councillors - Lanchbury (Chair), Curley, Good, Russell, Simcock, Wheeler, Barker and Downs

Independent Co-opted Members – Dr S Downs and Dr D Barker

Supplementary Agenda

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| 8. Internal Audit Assurance (Q2)
To receive a report which summarises of audit work undertaken and opinions issued in Quarter 2 of the municipal year. | 3 - 70 |
| 9. Outstanding Audit Recommendations (Q2)
To received a summary of the current implementation position and arrangements for monitoring and reporting internal and external audit recommendations for Quarter 2 of the municipal year, in line with Public Sector Internal Audit Standards. | 71 - 88 |

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

Donna Barnes
Tel: 0161 234 3037
Email: donna.barnes@manchester.gov.uk

This supplementary agenda was issued on **Thursday, 13 October 2022** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk Elevation), Manchester M60 2LA

**Manchester City Council
Report for Resolution**

Report to: Audit Committee – 18 October 2022

Subject: Internal Audit Assurance Report

Report of: Head of Internal Audit and Risk Management

Summary

The Internal Audit section delivers an annual programme of audit work designed to raise standards of governance, risk management and internal control across the Council. This work culminates in the Annual Head of Internal Audit Opinion and an Annual Assurance Report.

This report provides an update of progress on the agreed audit plan 2022/23; additional work assigned to the audit service and copies of the audit opinions issued in the period July 2022 to September 2022. A progress update on the period prior to this was included in the Annual Assurance Report presented to Committee in July 2022.

Recommendations

Audit Committee is requested to consider and comment on the Internal Audit Assurance Progress Report.

Wards Affected: ALL

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

None

Equality, Diversity, and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

None

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	An effective internal audit service is an integral part of the Council's governance arrangements. It helps to maintain and develop good governance and risk management and provides independent assurance over the effectiveness of the Council's systems of control. This contributes to being a well-run Council and indirectly to the achievement of organisational objectives and the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue = None

Financial Consequences – Capital = None

Contact Officers:

Name: Carol Culley
 Position: Deputy Chief Executive and City Treasurer
 Telephone: 0161 234 3506
 E-mail: carol.culley@manchester.gov.uk

Name: Tom Powell
 Position: Head of Audit and Risk Management
 Telephone: 0161 234 5273
 E-mail: tom.powell@manchester.gov.uk

Name: Richard Thomas
 Position: Deputy Head of Audit and Risk Management
 Telephone: 0161 455 1019
 E-mail: richard.thomas@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Internal Audit progress report to Audit Committee - July 2022
- Internal Audit Annual Opinion 2021-2022 to Audit Committee – April 2022

1 Introduction

- 1.1 The work of internal audit is a key part of the Council's overall assurance framework which is described in the Annual Governance Statement and in the Head of Audit and Risk Management's Annual Opinion. This report provides an update on work in the quarter ended September 2022.
- 1.2. The focus this quarter has been to complete work that was deferred from the 2021/22 audit plan and finalise assurance work across a wide range of covid related grants, to meet the Department for Business, Energy, and Industrial Strategy (BEIS) terms and conditions. Additional assurance demands from BEIS continue to emerge, but we are hopeful that these will reduce in frequency and gradually decline between now and December 2022.
- 1.3 Audits from the 2022/23 plan have commenced and we are now undertaking more system-based compliance reviews, as opposed to providing position statements and briefing notes.
- 1.4 In response to a high frequency of limited assurance opinions on our programme of school financial health checks, we have scheduled more follow up audits and increased liaison with schools and colleagues in education, to help improve the compliance levels with financial regulations and procedures.
- 1.5 Work continues to be prioritised in areas of highest risk and where changes have been made to policies, strategies, and systems. These factors, alongside pressure across the organisation to respond to the cost-of-living crisis; manage inflation, costs and resource reductions; target capacity to deliver on key priorities; and in the delivery of services and support are all reflected in the opinions and findings of audit work.
- 1.6 Appended to this report are:
- Appendix One: Delivery status of the annual audit plan 2022/23
 - Appendix Two: Executive summaries July 2022 to September 2022
 - Appendix Three: Basis of Audit Assessments (Opinion/Priority/Impact).

2 Audit Programme Delivery

- 2.1 The following is a summary of progress against the 2022/23 plan, including the work carried forward from 2021/22.

Audit Status	July 2022		September 2022	
	Audit Plan Status	Delivery %	Audit Plan Status *	Delivery %
Final Report / Assignment Complete	13	16%	31	38%
Draft Report	5	6%	5	6%
Fieldwork Completed	2	2%	3	4%
Fieldwork Started	6	7%	10	12%

	July 2022		September 2022	
Audit Status	Audit Plan Status	Delivery %	Audit Plan Status *	Delivery %
Planning	12	15%	7	9%
Not Started	44	54%	25	31%
TOTAL	82	100%	81	100%

* The number of planned deliverables has reduced from 82 to 81 since the last report as one planned audit (Homecare Brokerage Team) has been integrated into a broader adult social care contact management audit.

- 2.2 The team continues to make positive progress in delivery of the annual audit plan and are working closely with client Directors and their senior management teams to ensure work remains focused on risk. This is achieved through regular updates on audit related work provided to Directorate Management Team meetings and through review and discussion of directorate risks. An increased proportion of work is being delivered on site and in face-to-face work with clients, in offices and out at premises such as schools and depots. At the six-month point, we have completed 38% of our workplan and have 31% of work classed as 'in progress' at various stages, leaving 31% to commence.
- 2.3 Auditors are involved in numerous high-profile programmes and projects across the Council, including the IT End User Device project, Resident and Business Digital Experience Programme, Our Town Hall, Factory, Data Strategy and Email Retention, and SAP replacement; enabling the service to build intelligence and have greater insight regards emerging risk. This interaction also enables us to gather additional assurances beyond that provided by formal Internal Audit work, from external assessments, consultancy and via Scrutiny Committee reports. We are also integral to the work of Corporate Information Assurance and Risk Group (CIARG) on data security and data management, through the Deputy Senior Information Risk Owner and Data Governance Leads network.
- 2.4 We have seen increased demand for audit support from non-Local Authority maintained schools, under bought in arrangements; the schools are charged on a fixed day rate for this work. This is to address specific issues where potential fraud or malpractice is suspected, and the school is unable to provision the same standard of audit services at a reasonable open market price. The additional income generated will be reinvested in service improvement and a business case has been drafted to increase capacity in the team for undertaking school assurance work.

3 Resourcing and Plan

- 3.1 Changes to the audit staffing structure have been developed as part of the review of the Audit and Risk Management Service. The proposed structure of the audit service and the evaluation of audit posts is complete and, since the last update to Audit Committee, Human Resources (HR&OD) have been provided with all the information they require to complete the final job evaluation reviews for health and safety team posts. Once these reviews are complete all consultation documents will be provided to the Trades Unions and this will include confirmation of the timings and arrangements for consultation with staff and the process to incorporate any changes arising from consultation. Appointments to the new structure will follow this process. To allow sufficient time for effective engagement and formal consultation with all staff this is now expected to take place from December 2022.
- 3.2 For internal audit, the current resource is 12 staff in post. To support capacity, the placement of two officers on secondment with audit, has been extended through to the end of December 2022 and the team is working to support a career development request from an officer outside of the service to join for 6 months' work experience in audit, due to commence in October. They will be working with our Counter Fraud team to assist with the high volume of investigations and other work linked to Covid grants.
- 3.3 It is the assessment of the Head of Audit and Risk Management that the current resources will provide sufficient resource for the delivery of an effective risk-based audit plan for 2022/23.

4 Children's Services and Education

Management Oversight and Supervisions

- 4.1 We have issued a draft report in relation to the audit of Children's Services - Management Oversight and Supervisions. We provided a reasonable assurance opinion over the arrangements in place and were able to confirm that there were clear and concise policy and procedural arrangements in place and that supervisions were taking place regularly. Interviews with social workers and managers confirmed that the supervision process was considered a positive one for all parties.
- 4.2 Areas for improvement related to ensuring the recording and follow up of individual actions identified during supervisions and the need to agree a consistent approach to recording case discussions and ensure the implementation of the revised approach to Quality Assurance. Management responses have been agreed and the final report will be issued once the report has been agreed by the Senior Management team in October.

Foster Care Payments

- 4.3 Fieldwork is in progress for our audit of foster care payments, we plan to have completed the fieldwork for this audit by the end of October 2022.

OFSTED Improvement Plan

- 4.4 We met with the Director and Deputy Director of Children's Services during the quarter to agree the focus of audit work planned around OFSTED Assurance. We agreed to complete two pieces of audit work during the year, a short initial audit to seek assurance over high level governance and monitoring of the OFSTED improvement plan and a more in depth audit in quarter four of actions taken following the OFSTED visit, with a specific focus in relation to children's disability services.

Supporting People

- 4.5 We are researching and drafting our scope of work, prior to starting fieldwork during quarter three on our audit of Supporting People which aims to provide assurance to the GM Combined Authority around use of associated funding.

Elective Home Education

- 4.6 We also plan to start our audit of elective home education during the quarter which will seek assurance over arrangements within the Council and the roles of schools in fulfilling their responsibilities around elective home education.

Schools

Safer Recruitment

- 4.7 We have issued a draft report during the quarter for our thematic audit of safer recruitment in schools. At this stage we are only able to provide limited assurance over schools' compliance with the safer recruitment policy as audits of arrangements at seven of the ten schools visited in this work resulted in limited assurance.
- 4.8 Our analysis of the findings at individual schools showed consistent themes in the issues found. Many were around a lack of sufficient documentation being retained to evidence and support checks recorded in the Schools Single Central Record (SCR) or lack of consistency between supporting records and the SCR and therefore schools being unable to demonstrate that safer recruitment checks had been fully completed.
- 4.9 These common themes suggest there are some areas where there are gaps in knowledge around safer recruitment requirements so as well as making recommendations to individual schools we are also recommending Local Authority actions be considered to offer further support and guidance in addition to the current training offer in place for schools and to re-emphasise compliance requirements to schools.

School Financial Health Checks

- 4.10 We issued a draft report for a School Financial Health Check completed at Abraham Moss High School. At this stage we are only able to provide limited assurance over the adequacy and effectiveness of financial controls at the

School and made numerous critical and significant recommendations that we are exploring with the School before the report is finalised.

- 4.11 We raised concerns over the lack of documentation retained to support completion of bank reconciliations, a lack of compliance with requirements to obtain quotations and demonstrate value for money in procurement activity and excessive use of a debit card. We also remain concerned that whilst systems are now predominantly cashless there were still some gaps in control over use of cash that need to be addressed.
- 4.12 Abraham Moss High have experienced change in the last 12 months with a new Executive Head Teacher starting in post in early February 2022 and the School Business Director leaving post at the end of the summer term with the school yet to recruit to this post. Conversations with the Executive Head Teacher whilst planning the audit demonstrated he was aware of issues with financial control and had already started to try to address some of these issues by way of requesting more transparency and discussion at a management and a governance level of the school's budget. He also welcomed the audit, providing the school with a clear action plan to improve controls, and has demonstrated a determination to address these issues as a matter of priority.

Follow Up Audits in Schools

- 4.13 We have issued reports resulting from follow up audits of schools with limited assurance opinions. We have issued seven reports as final and one as draft. Overall we have seen positive progress made in addressing issues and implementing actions through these up audits.
- 4.14 For six of the seven of schools we have seen evidence of at least partial implementation of the recommendations made with some showing significant reductions in the exposure to risk. However, we did report no evidence of progress had been made at two of the schools visited; Collyhurst Nursery and St Bernard's and have issued draft reports for management comment before these are shared with the Chair of Governors
- 4.15 We are planning to re visit all the schools with outstanding audit actions before December 2022 with particular focus on the two schools where we concluded no progress has been made to date. Implementation of recommendations by schools is being tracked and as part of updated processes will now be reported formally to Audit Committee every six months from January 2023.
- 4.16 To raise awareness of the risks associated with financial controls, especially relating to procurement, we have agreed to issue a circular to all schools, emphasising the good practice requirements in this area and stressing the requirement to comply with financial regulations. The circular will offer advice and guidance and list contacts across relevant service areas in the Council if further assistance is required. This will be published in October 2022.

5 Adult Services

Management Oversight and Supervisions

- 5.1 We issued a final report for Adults Services in this quarter for the audit of management oversight and supervisions. Overall, we provided a reasonable opinion over arrangements in place to ensure sufficient and appropriate supervision and management oversight arrangements across Adults Services.
- 5.2 We concluded that there had been significant progress made in developing and embedding supervision arrangements since the last time we reviewed arrangements in 2018. We did however identify several areas where we considered arrangements could be further strengthened, specifically in relation to ensuring the timeliness of supervisions and ensuring current work to develop an accurate and up to date staff list for a central tracker record is completed to enable central monitoring and challenge of the timeliness of supervisions. We also recommended the need to address the current inconsistencies with how casework discussions are documented and evidenced in supervisions across the business.

Payments

- 5.3 We have completed the fieldwork for an audit of adult's payments during the quarter and are in the process of drafting the report ready for issue to the client later this month.

Adaptations

- 5.4 Fieldwork is progressing for an audit of adaptations with this work including visits and testing at registered housing providers. The aim is to provide assurance over arrangements in place for delivery of the adaptations offer across the City, including an opinion on the consistency of the offer. This fieldwork is due to be completed in October and a draft report issued in early November.

Quality Assurance Framework

- 5.5 We are in the process of planning an audit of the new Adults Quality Assurance arrangements. Plans were in place to launch this new approach in July 2022, and we are due to meet with the service leads early in October to confirm progress, agree scope and confirm the start date for a review of the new arrangements in November 2022.

6 Corporate Core and Information Governance

Core

- 6.1 The last of the COVID-19 business grants schemes made their final payments to businesses at the end of March 2022. Our work supporting the design of these schemes and carrying out pre-payment checks on proposed grant

awards is therefore complete. However, we are required to provide ongoing submissions and assurance to Government (BEIS) in line with their Post Payment Assurance Scheme. BEIS have commissioned a further four phases of this scheme, with associated deadlines between August and November. We continue to work with colleagues across the Council to meet the scheme deadlines.

- 6.2 We completed a required grant certification to the UK Health Security Agency in respect of the Test & Trace Support Scheme. Positive assurance was provided from this review of funding that supported residents who were required to self-isolate in response to their exposure to COVID-19, and who were unable to work from home during that time. The Council was awarded £5.6million to award to residents and to cover associated administration costs.
- 6.3 We also carried out the final required grant certification in respect of spend on the ERDF-funded Zero Carbon Cities (ZCC). This project is complete, with total project spend in Manchester of approximately €220k in this claim period.
- 6.4 We have provided ongoing advice and support in respect of the local design and implementation of the Council Tax Energy Rebate schemes. The core scheme closed on 30 September and successfully distributed over £32million (99% of allocated funding). The discretionary scheme will close at the end of November and had distributed 76% of funding by the end of September. The Department for Levelling Up, Housing and Communities (DLUHC) have confirmed that a full reconciliation and post payment assurance programme will be commissioned for these schemes in due course. This will require further audit assurance in 2022/23.
- 6.5 We have commissioned a further cost recovery exercise, to identify and recover refunds that can be obtained as a result duplicate payments, supplier credit notes, and classification of VAT. Work in this area began in September.
- 6.6 Officers from across the Council, including Internal Audit, have been involved in a refresh of the Council's Code of Governance and in review of the Council Constitution. This has provided positive assurance that there remain mechanisms in place to ensure core governance documents remain valid and up to date; and in the case of the Code have been updated to make them more accessible to residents and members of the public. The Code will be presented to Audit Committee in due course as part of the process of Member review and approval. The Strategic Management Team (SMT) also engaged in a review of the corporate risk register in early October and the outcome of this and any further changes to the register will be presented to Audit Committee in line with the Committee workplan in January 2023.

ICT and Information Governance

- 6.7 The final report was issued in relation to ICT Hardware Asset Management. This gave reasonable assurance over the design and operation of controls over ICT assets. We have also been sighted on progress in this area more widely through regular attendance at the End User Device project board that

has overseen the replacement of legacy equipment and have worked with colleagues in ICT to support their approach to roll-out new and more secure devices across the ICT estate.

- 6.8 The ICT Vulnerability Management audit has also been finalised and gives reasonable assurance that key risks are being managed effectively. A key component of ICT security is the effective management of vulnerabilities as any flaws in the ICT system that may be exploited to weaken its security. Vulnerability management includes the identification, analysis, and remediation of issues through both patching and effective change control procedures.
- 6.9 The procedures and policies in place contain all relevant aspects that demonstrate a robust vulnerability management system, and evidence was provided showing these procedures in action. Work is ongoing to replace old or legacy servers that continue to be operational and present potential vulnerabilities within the infrastructure, but we were assured that, in the interim, extended support for these servers had been purchased and that steps were being taken to isolate them from the wider estate as far as possible.
- 6.10 We also noted concerns over the anti-virus solution and that this is now being decommissioned and a more effective AV solution is being tested prior to deployment. Although our audit provides a reasonable level of assurance that robust processes are in place, cyber-attacks are often sophisticated and constantly evolving, and defence solutions are developed to counter these. This remains an area of known risk, is include on the corporate risk register and as a standing agenda item at the Corporate Information Assurance and Risk Group. SMT have also had a focus on cyber risk and have agreed ongoing investment in ICT security as well as work to plan for potential impacts of a cyber incident.
- 6.11 Internal Audit is closely associated with the work in progress to refresh the Data Management Policy with definitions and guidance on the use of data, to ensure the Council recognise data as a key corporate asset. This includes developing a set of Data Quality Standards to support use of data across our systems, allowing the Council to collect consistent, useable, and reliable data at source. Other work will include refreshing the Information Asset Inventory and decommissioning Lotus Notes containing historical emails, with a view to then embedding an effective retention and deletion policy for emails within Outlook. It is positive that a decision to reduce email retention periods has been confirmed and that a timescale for implementation has been agreed by SMT. It is the opinion of Internal Audit that this is a consecutive step towards improved data retention and will also have the added benefit of helping manage te costs of data storage across the Council.

7 Neighbourhoods; Growth and Strategic Development

Pest Control

- 7.1 We can give a substantial assurance opinion over the arrangements in place to respond to pest control treatment requests. The service is income generating and conducts over 20,000 visits per year, providing a valuable service to the residents of Manchester. We found the service was operating effectively. There were numerous areas of good practice found, including maintenance of central records such as training, annual review of fees and charges, and consistency in service provision.
- 7.2 In the sample of 81 domestic visits tested, we found the majority to be compliant with agreed procedures and it was clear what action had been taken in all cases. Most of the minor service inefficiencies we note relate to operational failings of the pest control Case Management System CMS (Kirona) which is due to be decommissioned later this year.
- 7.3 We have made two moderate and two minor recommendations to enhance levels of control and ensure service improvements and efficiencies are realised through procurement of a new IT system.

Youth and Play Provision Transition

- 7.4 We can give a substantial assurance opinion over the transition of the commissioning of Youth and Play Provision from Young Manchester back to the Council. The transition occurred smoothly with no disruption to service and most importantly, no evident disruption to the young people of Manchester who use the Youth and Play provision. The audit confirmed that there are documented strategies that align with the Council's key priorities and objectives, the commissioning timeline is fit for purpose and adequate resources have been established to support a successful transition and future delivery of priorities.
- 7.5 We made five moderate recommendations to ensure momentum is maintained; that the work on a robust new commissioning process continues as intended; and that all aspects of statutory guidance are met. Internal Audit plan to undertake a review of the commissioning framework once the new providers are operational.

AVRO Hollows

- 7.6 We published a report giving Limited assurance over the management and discharge of operational functions by Avro Hollows Tenant Management Organisation. We were concerned that records of repair requests were not all consistently logged upon receipt and that, at the time, the Modular Management Agreement detailing service expectations had not been formally agreed. This Agreement has since been signed by the Council and the TMO but there have continued to be a wide range of issues arising from audit work and from concerns raised with Internal Audit. These have been confirmed to the TMO and to Strategic Housing along with suggestions as to how these might be addressed. We will continue to try and support management in the TMO and the Council in assessing and responding to risks and as part of this

will seek assurance over actions being taken in response to the issues of concern we have raised.

Building Control

- 7.7 As part of the 2022/23 audit plan, we have liaised with the Director of Planning, Building Control and Licensing, and scoped an audit to review building control. This will be focused on the processes for dealing with unauthorised building work, service effectiveness and interaction with the Planning Enforcement team. Due to competing priorities within the client team, consultation on new legislation and work on building fire safety, we have agreed to revisit this review in January 2023.

Housing Operations – Consumer and Building Safety Regulations

- 7.8 Through regular liaison with the Director of Housing Operations we have agreed to combine the audit of consumer regulations and building safety regulations into a single review, to reduce the impact on the client. We are currently scoping the terms of reference for this review.

Highways Pothole Grant

- 7.9 We completed a required grant certification in respect of the Highways Capital Maintenance (Pothole Fund), from which the Council was awarded £2.11million in 2021/22. We were assured that all grant conditions in relation to this funding had been met.

8 Procurement, Contracts and Commissioning

Social Value

- 8.1 We completed our review of social value monitoring activity and issued the draft report with a reasonable assurance opinion. We made several recommendations to strengthen governance and assurance over the Social Value Fund, banked hours system operating in the small works framework and the social value governance board.
- 8.2 Audit testing highlighted improvements which were needed in some services regarding the completeness of social value monitoring activity and record keeping. We also recommended the development of systems to better measure and report on the impact of social value across the Council.

Our Town Hall - Management of Work Package Delivery

- 8.3 We recently issued the final report and provided a substantial assurance opinion over the arrangements in place to ensure the effective management of the stone repair work package. There were established processes and controls to manage and determine progress with the ongoing delivery of the selected work package. Collaborative working amongst the Council's

appointed quantity surveyor and the management contractor was evident from audit testing.

- 8.4 There was good evidence to support work variations and the payment approval process. Cost divergence and monitoring processes had improved since our last review in July 2021 with the financial position of work packages reported by the quantity surveyor and management contractor reviewed and reconciled more frequently. We made two moderate recommendations and management are actively taking forward improvements to strengthen assurances over interim valuations and have reiterated quality assurance processes required by the management contractor ensuring records reflect the commercial position.
- 8.5 In order to gain assurance over the project on an ongoing basis we will continue to liaise with the Project Director to complete a series of reviews over the remaining lifecycle of the project and will continue to receive copies of project board papers and minutes. This remains an important area of focus for management, finance and audit given the pressures on work packages and on project budgets linked to inflation and wider supplier chain risks.

Adult Social Care: Contract Governance

- 8.6 Fieldwork is underway to provide assurance over the framework in place for contract governance within adult social care. Adult social care operates within an integrated health and social care system and delivery of this, including commissioning, is managed within the Manchester Local Care Organisation.
- 8.7 Attention will be focused on the management of relationships with providers to embed strengths-based approaches and concentrate also on commissioning and contract management within the Better Outcomes Better Lives programme. We will report on the outcome of our review once complete in the next quarter

The Factory - Management of Work Package Delivery and Payments

- 8.8 We plan to begin work during the next quarter to provide assurance over the effective management for a sample of two work packages. The approach will replicate that undertaken for the Our Town Hall review as detailed above and will include review of arrangements for the assessment of work against time and quality standards, confirmation that payments are made in line with prices agreed and that there are suitable controls over any variations.

New Contract Management System

- 8.9 The Council does not have a centralised Contract Management System that monitors all contracted activity/spend. Contracts are recorded locally in directorate contract registers on spreadsheets with no central repository to collate the individual directorate data. Audit and Risk Management will continue to provide support to the procurement team tasked with buying and configuring a new system, through the facilitation of risk workshops and

creation of a risk register, providing assurance when the new system becomes operational.

9 Counter-Fraud and Investigations

Proactive

- 9.1 Internal Audit are currently liaising with officers from across the Council to co-ordinate both the completion of the 2020 National Fraud Initiative exercise and the upload of data for the 2022 program which is due to be submitted to the Cabinet Office in November 2022.
- 9.2 Following the roll out of a fraud risk self-assessment tool to voluntary and maintained schools in July, Internal Audit have to date received 35 submissions and are requesting updates from those schools who have yet to respond. Details provided will be summarised to share with colleagues in Education and will be used to help direct future training with schools.
- 9.3 The Annual Fraud Report was presented to Audit Committee as a Part B report in September 2022. This provided an overview of the Council's framework for addressing fraud and irregularity along with details of both reactive and proactive cases.

Reactive: Corporate Cases

- 9.4 Internal Audit have received 17 referrals of potential fraud or irregularity during the period April to September 2022. Of these 5 were considered whistleblowing allegations made either anonymously or from a named source and have been handled under the Council's Whistleblowing Policy and Procedure.
- 9.5 The nature of this work has remained consistent including concerns raised in several key areas including staff conduct, financial irregularities, procurement, and employee compliance with procedures.

Reactive: Other Investigations: Business Grants, Council Tax Reduction Scheme and Housing Tenancy

- 9.6 Work is continuing on the investigation of allegations of fraudulent covid business grant applications, in line with Central Government requirements. As a result of this work invoices totalling £184k have been raised this financial year to recover funds that were claimed inappropriately.
- 9.7 During the period 43 new referrals of fraud or irregularity in relation to the Council Tax Reduction and Single Adult Discount Schemes have been received, along with 22 allegations of Housing Tenancy and Right to Buy discount fraud.
- 9.8 Two separate unrelated cases appeared in Magistrates Court during the quarter in relation to false claims for covid 19 business support grants. A

guilty plea was entered for the first case; sentencing is due to take place in October 2022. A not guilty plea was entered regarding the second case and a trial date has been set for February 2023.








- 9.9 A guilty plea was entered in relation to offences under Section 24A of the Theft Act 1968 relating an overpayment of foster care allowance totalling £21k, specifically the receipt of wrongful credits and dishonestly failing to take reasonable steps to secure that credit was cancelled. The individual was sentenced in September 2022 to 16 weeks custody (suspended for 12 months) plus 15 rehabilitation days, a requirement to engage with probation services and a £2k compensation order was awarded.

10 Recommendations

- 10.1 Audit Committee is requested to consider and comment on the Internal Audit Assurance Progress Report.

Appendix One: Audit Status, Opinions and Business Impact 2022/23

Audit Area	Audit Status	Assurance Opinion	Council Impact
Children and Education Services			
Divine Mercy Primary School	Final Report	Limited ●	Low
Special Educational Needs (SEND) Local Offer	Briefing Note	N/A	High
Schools Financial Value Scheme 2021/22	Completed	N/A	Mandatory
All Saints Newton Heath - financial health check follow up	Final Report	Partially Implemented ●	High
Lily Lane Primary School financial health check follow up	Final Report	Partially Implemented ●	High
St Philips Primary School - financial health check follow up	Final Report	Partially Implemented ●	Low
Collyhurst Nursery School and Children's Centre - financial health check follow up	Final Report	Not Implemented ●	Low
Martenscroft Nursery and Children's Centre - financial health check follow up	Final Report	Partially Implemented	Low
Sacred Heart RC Primary School - financial health check follow up	Final Report	Partially Implemented ●	Low
St Margaret's C of E Primary School - financial health check follow up	Final Report	Partially Implemented ●	Low
Safer Recruitment in Schools	Draft Report	Set at Final	High
Children's Supervisions	Draft Report		High
Abraham Moss High School Assurance Health Check	Draft Report		Low
St Bernard's Primary School – financial health check follow up	Draft Report		low
Foster Care - payments system	Fieldwork Started		High
Elective Home Education	Planning		Medium
Cyber Security in Schools - thematic review	Not Started		High
OFSTED - post report assurance	Not Started		High

Audit Area	Audit Status	Assurance Opinion	Council Impact
Church of the Resurrection School Assurance Health check	Not Started		Low
Charlestown Primary School Assurance Health check	Not Started		Low
Oswald Road Primary School Assurance Health Check	Not Started		Low
Early Years - Case management & Recording	Not Started		High
Supporting People - assurance to GMCA	Not Started		Mandatory
Children's Data Quality	Not Started		High
Health and Care (Adult Services)			
Multi Agency Safeguarding Hub	Final Report	Reasonable 	High
Direct Payments – Assurance	Final Report	Reasonable 	High
Adults Management Oversight and Supervisions	Final Report	Reasonable 	High
Adults Care Package Payments	Fieldwork complete	Set at final	High
Manchester Service for Independent Living - Adaptations Delivery Model	Fieldwork started		High
Performance Reporting Framework	Not Started		High
Health and Social Care: Assurance Framework Review	Not Started		High
Adult Services – Full Quality Assurance Framework	Not Started		High
Health and Care Reform	Not Started		High
Homecare Brokerage Team	Integrated in adults payments audit		High
Corporate Core			
Information Governance Privacy Notices	Final Report	Reasonable 	Medium
Public Services Network (PSN) Code of Connection	Briefing Note	Reasonable 	Medium
Core Financial Systems – lessons learnt from External Audit	Briefing Note	N/A	Medium
Grant Certification: Public Sector Decarbonisation Scheme Phase 1	Grant Certified	Certified 	Mandatory
Grant Certification (EU): Area Based Collaboration in Cities (ABCitiEs)	Grant Certified	Certified 	Mandatory
ICT Hardware Asset Management	Final Report	Reasonable	High

Audit Area	Audit Status	Assurance Opinion	Council Impact
		●	
ICT Vulnerability Management	Final Report	Reasonable ●	High
Grant Certification (COVID): Contain Outbreak Management Fund	Grant Certified	Certified ●	Mandatory
Grant Certification (COVID): Test and Trace Support Payments	Grant Certified	Certified ●	Mandatory
Vendor Creation and Amendment	Fieldwork Complete	Set at Final	Medium
Payment Card Industry - Compliance	Fieldwork Started		High
Council Tax Energy Rebate Scheme Delivery and Assurance			Mandatory
Grant Certification (EU): Zero Carbon Cities			Mandatory
Core Financial Systems Assurance Mapping			Medium
Cost Recovery Contract Management (assurance and consultancy work)			Medium
Public Sector Decarbonisation Scheme Phase 1 – Review of Final Claim			High
Joiners Movers and Leavers	Not Started		High
Debt Recovery and Write Offs			Medium
ICT Project Assurance: Flare Replacement			High
Single Person Discount – Process Assurance		Medium	
ICT - Cyber Assurance		High	
Payroll		High	
Bank and Imprest Accounts		High	
Climate Change – Action planning		High	
Neighbourhoods			
Estates Planning - Asset Management Plan	Final Report	Reasonable ●	High
Local Investment Fund	Final Report	Substantial ●	Medium
Grant Certification (COVID): Protect and Vaccinate	Grant Certified	Certified ●	Mandatory

Audit Area	Audit Status	Assurance Opinion	Council Impact
Grant Certification: Highways Local Transport Capital Block Funding (Pothole Fund)	Grant Certified	Certified ●	Mandatory
Traffic Signals Maintenance Funding	Grant Certified	Certified ●	Mandatory
Traded Services - Pest Control	Final Report	Substantial ●	Medium
Youth Services - new service delivery model	Final Report	Substantial ●	Medium
Culture Recovery Fund Grant – Part 2 (additional work)	Fieldwork Complete	Set at Final	Medium
Disabled Facilities Grant Certification	Fieldwork Started		High
Housing Operations - Consumer and Building Safety Regulations	Planning		High
Housing Operations - Void and Empty Properties (follow up)	Planning		High
Regulatory Services	Not Started		Medium
Growth and Development			
Building Control - compliance with new legislation	Planning	Set at Final	Medium
Project Assurance - Victoria North & Piccadilly Gardens	Planning		High
Procurement, Contracts and Commissioning			
Our Town Hall Work Packages and Payments (2nd tranche)	Final Report	Substantial ●	High
Social Value Monitoring	Draft Report	Set at Final	Medium
Adult Social Care: Contract Governance	Fieldwork Started		High
Factory Project: Work Packages	Planning		High
Suppliers – Invoice Prompt Payment Compliance	Planning		Medium
Zero Carbon in Contracts	Not Started		High
Contract Risk Management Practices	Not Started		High
Homelessness Supported Accommodation - Governance and Control	Not Started		High

Appendix Two: Audit Report Executive Summaries (Opinion Audits)

The following Executive Summaries have been issued for the audit opinion reviews finalised since April 2022 and as requested by Audit Committee are attached below for information.

Reference in Appendix	Audit Title
A	Multi Agency Safeguarding Hub (MASH)*
B	Direct Payments – Assurance*
C	Youth and Play Provision Transition
D	Pest Control
E	Special Education Needs and Disability (SEND) Local Offer
F	Adults Management Oversight and Supervisions
G	Our Town Hall - Management of Work Packages
H	ICT Hardware Asset Management
I	Collyhurst Nursery School and Children’s Centre – follow up
J	St Margaret’s C of E Primary School – follow up
K	Sacred Heart RC Primary – follow up
L	Lily Lane Primary School – follow up
M	St Philips Primary School – follow up
N	All Saints Newton Heath – follow up

* Were excluded in previous progress update to Committee as they were briefing notes, however their inclusion was requested so have been provided below, with other reports issued this quarter.

REF 2A - MASH**Internal Audit Report 2021/22****Adults Services****Adults Multi Agency Safeguarding Hub (MASH) – Assurance report****Distribution - This report is confidential for the following recipients**

Name	Title
Paul Covell	Assistant Director, Adults Social Services
Sarah Broad	Deputy Director, Adult Social Services
Bernadette Enright	Executive Director of Adult Social Services
Councillor Midgley	Executive Member
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors

Lead Auditor	Emma Maddocks	234 5269
Deputy Head of Audit & Risk Management	Richard Thomas	455 1019

Draft Report Issued	13 April 2022
Final Report Issued	25 April 2022

1. Audit Summary

- 1.1. Our Audit plan included an audit of the Adult's Multi Agency Safeguarding Arrangements, which we planned to complete in quarter four of the audit year (January to March 2022). However, when we met with management to discuss scope and timing of the planned work, they confirmed that the Manchester Safeguarding Partnership had commissioned an external review of Manchester's Multi Agency Safeguarding Partnership in December 2021 (including both Adult's and Children's Services).
- 1.2. A decision was taken in January 2022 to include a safeguarding transformation programme for Adults in the Better Outcomes Better Lives framework. This included a detailed baseline review of safeguarding arrangements by consultant's Impower, to inform planned work alongside the key actions from the partnership review.
- 1.3. We therefore agreed that conducting a full audit as we had originally scoped, would be a duplication of the work already completed in the transformation work and review of the Manchester Safeguarding Partnership. The business is clear on the actions needed to improve MASH arrangements.
- 1.4. We agreed to take assurance from the work already completed around multi agency safeguarding arrangements for our audit assurance this year; with a view that future audit work will be planned once revised arrangements have been developed and implemented. This report summarises the assurance we have taken from the external work completed in the current year.

2. Assurance Conclusion

- 2.1. Significant work has been commissioned this year to seek assurance over multi agency safeguarding in Adults from the external review of the Manchester Safeguarding Partnership, to the detailed baseline review of safeguarding arrangements by consultants 'Impower'.
- 2.2. The findings from both reviews have been included in plans for the transformation of safeguarding within the Better outcomes, Better Lives (BOBL) framework under a new workstream. In terms of time, both reviews have been performed close together, meaning there has been in depth reviews of both safeguarding and the overarching multi-agency governance in the last few months.
- 2.3. We provided substantial assurance over governance arrangements for the BOBL programme during the year, so are assured that the safeguarding transformation will benefit from being delivered through this programme.
- 2.4. From reviewing the report summary of the baseline review completed by Impower, it is clearly a detailed evaluation of current arrangements which then directly informs plans for the transformation. There is an eight-point action plan in place to improve with evidence from the initial baseline review being used to support each action point.
- 2.5. We are therefore reasonably assured over actions taken to improve Adults Multi Agency Safeguarding arrangements during the year. Clear action has been taken

to review safeguarding and identify areas for development with plans being in place to deliver improvements through the Better Outcomes, Better Lives improvement framework.

3. Summary of assurances

Key Areas of Strength and Positive Compliance

- 3.1. In depth reviews have been completed during the year of the Manchester Safeguarding Partnership and of safeguarding practices within Manchester City Council with both reviews feeding into plans for transforming the delivery of safeguarding arrangements. There are clear and detailed plans in place to make improvements where issues have been identified.
- 3.2. The inclusion of the safeguarding transformation work within the Better Outcomes, Better Lives framework provides confidence that the delivery of improvements will be through a programme with established and strong governance arrangements.

Key Areas for Development

- 3.3. The baseline report for the review of safeguarding did identify several issues and areas for improvement within current MASH arrangements; specifically:
 - a loss of experienced managers within the service coincided with an increased level of demand which has left remaining staff in the service under significant pressure;
 - the need to review and redefine the roles of professional resources within the MASH in order to maximise the impact of partnership working across the system;
 - the need to improve the understanding and identification of appropriate safeguarding concerns amongst partners to reduce demand in the system; and
 - there is a need to develop processes to manage high volume but low risk cases.
- 3.4. Whilst we are assured that actions to address these issues have been incorporated into plans for transforming safeguarding arrangements, until implementation is complete, there will remain an element of risk exposure. Internal audit will revisit safeguarding later in the year, to provide assurance that effective action has been taken.

REF 2B – DIRECT PAYMENTS**Internal Audit Report 2021/22****Adults and Social Care****Direct Payments – Assurance report****Distribution - This report is confidential for the following recipients**

Name	Title
Bernadette Enright	Executive Director Adult Social Services, Accountable Officer
Sarah Broad	Deputy Director Adults Social Care
Tracy Cullen	Assistant Director Adults Social Care, Responsible Officer
Mike Galway	City Wide Services Manager
Councillor Robinson	Executive Member for Healthy Manchester and Adult Social Care
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors

Senior Auditor	Peter Gallagher	801 35247
Lead Auditor	Emma Maddocks	234 5269
Deputy Head of Audit & Risk Management	Richard Thomas	455 1019
Head of Audit & Risk Management	Tom Powell	234 5273

Draft Report Issued	19 April 2022
Final Report Issued	28 June 2022

1. Audit Summary

- 1.1. The 2021/22 Internal Audit plan included a review of Adults Direct Payments, which we planned to complete in quarter four. However, in May 2021 a review was commissioned from the Greater Manchester Health and Social Care Partnership (GMHSCP), of the Council's approach to Direct Payments and Individual Service Fund (ISF) arrangements. This work was undertaken in June and July 2021.
- 1.2. As such we agreed with management that a full audit, as we had originally scoped, would be a duplication of the work recently completed. Instead, and in line with Public Sector Audit Standards, we agreed to incorporate this assurance into our work and our reporting to SMT and Audit Committee. As the review was broader than our planned audit, the following opinions, conclusions, and summary are based on the direct payment elements of the GMHSCP review and do not cover those in relation to ISF arrangements.
- 1.3. The GMHSCP report focused on the need for a renewed, clear, and positive focus on the Council's direct payments offer, and consideration was specifically given to the following areas: -
 - The effectiveness of the Council's promotion of the direct payments' offer, and an understanding of the lower-than-average uptake.
 - The potential benefits that could be realised for both citizens and the council with a revised/refreshed direct payments offer.
- 1.4. As well as reviewing the findings from GMHSCP we also sought assurance that the Council had established arrangements for implementing the key recommendations and actions proposed in the report.

2. Audit Opinion and Conclusions

- 2.1. Overall, the findings from the GMHSCP review identified that Manchester was under-utilising Direct Payments as an offer to provide choice and personalisation of support to citizens. The report identified several areas for development, and made a total of 19 recommendations for improvement, covering most aspects of direct payments.
- 2.2. The findings of this report were presented to Adults Strategic Management Team, where it was agreed that the improvement project for direct payments would be included as part of the Better Outcomes, Better Lives (BOBL) programme. BOBL is Manchester Local Care Organisation's (MLCO) transformation programme for Adult Social Care. In March 2022 we provided a substantial audit opinion that the governance, monitoring and challenge arrangements effectively supported delivery of the BOBL programme, as such we have assurance that there are suitable arrangements in place for the delivery of improvements.
- 2.3. There are resource implications to the actions required to improve the direct payment offer to citizens, accordingly a management decision has been made to focus on 5 key areas for development as part of the BOBL implementation project. These key areas (set out in section 3 below) cover the most significant

recommendations made and are pivotal to improving the service and maximising the uptake of direct payments.

- 2.4. In discussion with the Assistant Director, it was agreed that the priority was to implement the key recommendations made in the GMHSCP report to improve the understanding of, and processes around, direct payments. We support the plan to take a project management approach, and for its inclusion into the BOBL programme.
- 2.5. We are **reasonably** assured that the service improvement plan for direct payments is comprehensive and clear. Accordingly, we have agreed that this is not the correct time to undertake internal audit work in this area. However, work in this area will be considered as part of the 2022/23 Audit Plan, once the recommendations made have been addressed; to provide independent assurance over direct payments following the changes.

3. GMHSCP Key Areas for Development

- 3.1. GMHSCP found that there was no Direct Payment policy (or an equivalent policy with previous nomenclature) in place, despite direct payments being a requirement under the Care Act 2014. The GMHSCP recommended the creation of such a policy to support the Council in meeting the requirement for personal budgets and direct payments as laid out in the care act.
- 3.2. Interviews were held with officers regarding direct payments, GMHSCP found that the majority of those interviewed felt that they were not sufficiently knowledgeable about direct payments to be able to discuss or explain them to people in a positive way. Some officers were not confident explaining the different personal budget options, and in some cases, direct payments were not discussed as an option at all. There were several recommendations in the report to address this lack of knowledge/confidence but particularly the need to provide training to support behaviour change around the use of personal budgets and direct payments. Areas of concern included those using the 'Cost care plan indicator tool' and those with responsibility for approving indicative budgets and support plans (including financial approval).
- 3.3. Information and documentation available to both officers and citizens was insufficient. The report recommended improved and updated communication and documentation products to support awareness and use of direct payments. These included:
- Improvements to the Councils' website to provide better information about personal budgets (including direct payments).
 - An easy read Direct Payment Agreement for citizens.
 - A Direct Payment Team leaflet / information booklet that describes exactly the kinds of support that the team can provide.
 - A checklist tool for social workers to aid them in decision-making about signing off support plans.
 - A "Review Checklist" to aid social workers to quality check direct payment care packages.
- 3.4. The report suggested a review of the direct payment processes. GMHSCP advised that the Council needs to consider whether the current approach to

Support Planning is working by assessing the quality of existing support plans. The report found that assessments were commonly used as an assessment for services, rather than to identify the level of 'unmet need' to calculate an indicative budget; as such people were not being provided with an indicative budget, and support plans were completed without knowledge of what funding was available.

- 3.5. The report also found that there appeared to be little involvement by the citizen in the Support Planning process. Other areas of the process the report stated could warrant further consideration included, relevant changes to Liquid Logic, using the 'Care Cost Calculator' to aid assessments, the use of prepaid cards, and the auditing of managed accounts.
- 3.6. GMHSCP found in discussion with both citizens and officers that training for Personal Assistants (PA's) is not considered when taking up direct payments; and that citizens had concerns about the training available to their PA's. The service has expanded this issue in the BOBL programme to include the recruitment and retention of PA's as well as their training, as there is a sector wide issue regarding recruitment and retention, and this will impact on the training requirements and frequency.
- 3.7. The Council has a responsibility to ensure direct payment users who employ personal assistants can access suitable training quickly to prevent delays in the care packages being put into place. The report suggests that, in combination with the CCG, the Council should develop a PA training strategy, and when direct payments involving PA's are reviewed the case manager should ensure they have been suitably trained.

REF 2C – YOUTH AND PLAY TRANSITION**Internal Audit Report 2022/23****Neighbourhoods****Youth Services - Youth and Play Provision Transition****Distribution - This report is confidential for the following recipients**

Name	Title
Jaffer Hussain	Head of Youth Play and Participation, Responsible Officer
Neil Fairlamb	Head of Parks, Leisure and Events and Strategic Director of Neighbourhoods, Accountable Officer
Councillor Bridges	Executive Member
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors

Auditor	Erica Corbett	35285
Deputy Head of Audit and Risk Management	Richard Thomas	41019
Head of Audit and Risk Management	Tom Powell	35273

Draft Report Issued	20 September 2022
Final Report Issued	21 September 2022

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance over the transition of the commissioning of Youth and Play Provision from Young Manchester back to the Council.	Substantial	Medium

Sub objectives that contribute to overall opinion	Assurance
There is an agreed strategy that is aligned with the Council’s key priorities and objectives.	Substantial
Appropriate governance arrangements have been established that align with wider Council governance arrangements and allow for the consideration and making of decisions.	Substantial
Adequate resources, performance management and reporting arrangements have been established to support a successful transition and future delivery of priorities.	Reasonable

Key Actions (Appendix 1) <1/2 side max – for critical, or significant not moderate or minor risks>	Risk	Priority	Planned Action Date
None	Critical	3 months	N/A
None	Significant	6 months	N/A

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1. Young People are at the core of Manchester's development, its continued success, and long-term prosperity. The Council has a statutory duty to secure access to educational and recreational leisure-time activities under Section 507B of the Education and Inspections Act. The Council's 2022/23 budget for commissioned youth and play activity is £1.44m.
- 1.2. On 20 October 2021 the Executive agreed that the Council would directly administer the commissioning budget going forward. The previously commissioned arrangements ended on 31 March 2022, and the process of transitioning the commissioning of youth and play provision from Young Manchester back to the Council is now complete.
- 1.3. We agreed to provide assurance that the transition arrangements are effective and that these support the delivery of priorities and positive outcomes.

2. Conclusion and Opinion

- 2.1. We can give a **substantial** assurance opinion over the transition of the commissioning of Youth and Play Provision from Young Manchester back to the Council.
- 2.2. The transition occurred smoothly with no disruption to service and most importantly, no disruption to the young people of Manchester who use the Youth and Play provision. There are documented strategies that align with the Council's key priorities and objectives, the commissioning timeline is fit for purpose and adequate resources have been established to support a successful transition and future delivery of priorities.
- 2.3. We have made five moderate recommendations (outlined in appendix one) to ensure that the momentum is maintained, to ensure that the work on a robust new commissioning process continues as intended, and to ensure all aspects of statutory guidance are met. Internal audit plan to undertake a review of the commissioning framework once the new providers are operational.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1. Executive on 20 October 2021 agreed the option for bringing back the future commissioning in house and delegated responsibility for the grant spend. Grants between the Young Manchester Trust and commissioned providers were all extended and novated to Manchester City Council until March 2023, enabling service continuity and no loss of provision; the Council is still able to deliver its statutory duties.
- 3.2. There is an agreed strategy, 'Our Youth Strategy for Manchester 2020 to 2023' which is aligned to the Council's key priorities and objectives and covers the statutory duty. Underpinning this there is a youth participation strategy and a business plan. These all align to MCC values around People, Pride, Place

and the key themes and priorities are aligned to the Our Manchester Strategy. Throughout all of the Youth and Play documentation there is a strong place-based focus and prioritisation of the youth voice.

- 3.3. Work on a robust new commissioning framework has already commenced. Proposals for the commissioning governance include 6 local youth advisory panels/ boards, all making funding recommendations to a youth commissioning board which will sit under the democratic services and meetings / decision making of the Council. The proposals focus on place-based commissioning and board and panel membership proposals include a wide variety of individuals. This place-based approach has clear oversight from senior management in the Neighbourhoods Directorate and will have oversight of Children's Services and executive member for Early Years, Children and Young People, reporting to the Children's Board.
- 3.4. The act of bringing the service back in house enables the Council to become closer to strategic decision making and subject to more effective scrutiny, oversight, and risk management.
- 3.5. The timeline of the structure redesign is fit for purpose, allowing sufficient time for commissioning to complete, well in advance of contract end dates. Management have assessed the required resources, capacities, and capabilities, to ensure a successful transition and to deliver key priorities. Management are regularly reviewing the arrangements to ensure that they continue to meet the organisation's needs and new roles have already been created and proposals are changing in line with consultations.
- 3.6. The service has completed a series of listening conversations with sector leaders, young leaders, and practitioners, as well as commissioning a needs analysis to inform the framework. The service documentation recognises and incorporates the key findings from sector engagement.
- 3.7. All documents reviewed have a key focus on ensuring the youth voice is at the heart of what is done and embedded across partners and services.

Key Areas for Development

- 3.8. Whilst work had begun on the following objectives, they were not yet fully developed at the time of our testing:
 - Updating and refreshing of the core strategies, in consultation with young people.
 - Finalising the governance proposals for the commissioning framework.
 - Completing the proposed quality improvement frameworks.
 - Developing KPIs, both for the service itself and for providers.
 - Operating a service risk register.
 - Completion of documentation recommended by the National Youth agency (the professional statutory and regulatory body for youth work in England).

REF 2D – PEST CONTROL**Internal Audit Report 2022/23****Neighbourhoods****Pest Control****Distribution - This report is confidential for the following recipients**

Name	Title
Matthew Bennett	Director of Commercial and Operations, Responsible Officer
Neil Fairlamb	Strategic Director Neighbourhoods, Accountable Officer
Barrie Jones	Business Unit Lead
Paula Curless	Pest Control Service Manager
Andrew Blore	ICT Strategic Business Partner
Councillor Igbon	Executive Member
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors

Auditor	Erica Corbett	35285
Deputy Head of Audit and Risk Management	Richard Thomas	41019
Head of Audit and Risk Management	Tom Powell	35273

Draft Report Issued

18 August 2022

Final Report Issued

6 September 2022

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance that there are effective arrangements in place to respond to pest control treatment requests.	Substantial	Low

Sub objectives that contribute to overall opinion	Assurance
There is an established and effective process for handling pest control requests.	Reasonable
Income is adequately accounted for and reconciled.	Substantial
Requests are progressed in line with the established process and case records are regularly updated in a timely manner with appropriate information.	Substantial
Appropriate management information is produced to support case / performance management and inform decision making.	Reasonable
Requirements for the new IT system have been clearly defined and may include recommendations from this review where applicable.	Substantial

Key Actions (Appendix 1) <1/2 side max – for critical, or significant not moderate or minor risks>	Risk	Priority	Planned Action Date
None	Critical	3 months	N/A
None	Significant	6 months	N/A

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 Pest Control is one of the trading services within Commissioning and Delivery, offering advice and carrying out treatments to remove unwanted pests. During the financial year of 2021/22, there were a total of 21,213 pest related visits recorded. This area has not been audited recently, and effective service provision is important to citizens and clients, whereas poor performance could present a health and safety risk and be reputationally damaging. Therefore, we agreed with the Strategic Director to include this area on the 2022/23 audit plan.

2. Conclusion and Opinion

- 2.1. We can give a **substantial** assurance opinion over the arrangements in place to respond to pest control treatment requests.
- 2.2. The service is income generating and conducts over 20,000 visits per year, providing a valuable service to the residents of Manchester. We found the service was operating effectively. There were numerous areas of good practice found, including maintenance of central records such as training, annual review of fees and charges, and consistency in service provision. In the sample of 81 domestic visits tested, we found the majority to be compliant with agreed procedures and it was clear what action had been taken in all cases.
- 2.3. Most of the minor service inefficiencies we note relate to operational failings of the pest control Case Management System CMS (Kirona) which is due to be decommissioned. To overcome system issues, the service has implemented manual work arounds, but this situation is not ideal. Procuring a new case management system was outlined as a key priority for the service for 2022/23 and this was under design at the time of our audit, however, there have been significant delays and the new system roll out is now expected later this year.
- 2.4. We have made two moderate and two minor recommendations to enhance levels of control and ensure service improvements and efficiencies are realised through procurement of a new IT system.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1. Pest control have received annual external audits to CEPA standards (European standard in Pest Management) and received certificates of compliance with BS EN 16636:2015 for the management and control of public health pest species. A recent British Pest Control Association audit (July 2022) found the service to be of 'very good standard' with no identified improvements required.
- 3.2. The team structure was sufficient to adequately deal with requests and high volumes of visits. Corporate complaints received almost as many positive 'praise' requests as they did negative 'complaints'. There were no reported backlogs in work.
- 3.3. There were clear provision standards i.e. response times, number of visits that can be booked for each pest type and call back standards. Records were updated on site, through Kirona for each domestic visit and on paper for each commercial visit. Standard expectations from visits were contained within the Kirona system/ visit

documentation (site risk assessment, bait laid etc.) and from 81 domestic inspections we tested, requests were progressed in line with expectations and work appeared consistent. It was clear what had been done in 100% of visits tested and only minor issues were found.

- 3.4. All pest control vans had trackers and personal use is not allowed. Team leaders received a daily logistics report outlining the geographical locations and showing van movements.
- 3.5. Pest control fees and charges were reviewed and approved by senior managers and Councillors on an annual basis. Benchmarking was undertaken against other Councils and Core Cities to ensure charges are comparable.
- 3.6. Domestic treatment prices were built into the system used and payments were taken in advance at the time of booking. Other treatments e.g. commercial contracts and those for Housing Associations covered under an SLA were invoiced, reconciled monthly and reported quarterly. Income against targets was tracked monthly for SLAs, commercial, internal, and domestic inspections.
- 3.7. Staff were up to date with training and sufficiently trained to use relevant pesticides/ carry out their role effectively. An up-to-date training register was available and continued training and development of the workforce to support changing business needs was identified and documented.
- 3.8. A variety of information was reviewed on a quarterly basis, including service delivery volumes, no access visits, and staff sickness days.
- 3.9. The requirements for the new IT system were clearly defined, key risks and objectives identified, and both pest control and ICT teams have been working closely with the supplier to ensure procurement and roll out of the new system is successful.

Key Areas for Development

- 3.10. There were several problems associated with the current 'Kirona' system. It was not set up for use by the commercial team, it did not integrate/interface well with CRM, there were issues with the appointment bookings (including missed SLAs) and there was limited reporting and customer feedback capability. Whilst these all have manual work arounds, this meant that the customer journey we observed was not as smooth as it could be and officer time was being used undertaking tasks that the system should be able to do. Management reporting and assessing customer satisfaction is difficult and there were concerns around data protection compliance with paper-based working and reliance on documentation held in emails. The issues have been detailed in the action plan and should be addressed by the new IT system (Boris).
- 3.11. The procurement of the new IT system has encountered significant delays. Whilst the majority of delays relate to the new system functionality and rest with the software developer, there are some generic lessons to be learned from this procurement exercise, which we have noted as a moderate recommendation.
- 3.12. Whilst the work vans were not available for personal use in evenings and at weekends, the officers were able to take the vans home (as this enables two extra daily visits to be scheduled). We noted an officer had moved to North Wales after these arrangements had been agreed and was benefitting from being able to drive

the work van to/from home. This usage issue had been referred to HR at the time of our fieldwork and was being addressed through the Council's wider HR policy directive.

REF 2E - SEND

Internal Audit Report 2021/22
Children's Services
Special Education Needs and Disability (SEND) Local Offer – Assurance report

Distribution - This report is confidential for the following recipients	
Name	Title
Julie Hicklin	SEND Lead
Amanda Corcoran	Director of Education
Andrea Daubney	Assistant Director of Education
Maureen Howell	SEND Engagement & Young Carers Lead
Maria Simpkin	Local Offer Coordinator and Engagement Manager
The final report will also be issued to the following recipients	
Councillor Bridges	Executive Member
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Paul Marshall	Director of Children's Services
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors		
Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5269
Deputy Head of Audit & Risk Management	Richard Thomas	455 1019
Head of Audit & Risk Management	Tom Powell	234 5273

Draft Report Issued	30 March 2022
Final Report Issued	6 July 2022

1. Audit Summary

- 1.1. The 2021/22 Internal Audit plan included a review of the Special Education Needs and Disability (SEND) Local Offer, which we planned to complete in quarter four. However, between 22 and 26 November 2021, Ofsted and the Care Quality Commission (CQC) conducted a joint inspection of Manchester City Council to judge the effectiveness in implementing the special educational needs and/or disabilities (SEND) reforms as set out in the Children and Families Act 2014.
- 1.2. We agreed with management that a full audit, as we had originally scoped, would be a duplication of the work already completed by Ofsted. Instead, and in line with Public Sector Audit Standards we agreed to incorporate the assurance from Ofsted into our work and our reporting to SMT and Audit Committee. The Director of Education confirmed that one of the key issues identified by the inspection was in relation to the Local Offer; parents were either not aware of it or they found it difficult to locate on the Council's website. We therefore agreed as part of this piece of work, to complete some searches for the offer on the website and the outcome of this is summarised in the report below.
- 1.3. The Ofsted report focused on the following areas: -
 - The effectiveness of the Council in identifying children and young people's special educational needs and/or disabilities.
 - The effectiveness of the local area in meeting the needs of children and young people with special educational needs and/or disabilities.
 - The effectiveness of the local area in improving outcomes for children and young people with special educational needs and/or disabilities.
- 1.4. The review was broader than our planned audit, so the following summary is based on the local offer elements of the review rather than the full inspection findings.
- 1.5. For our review we therefore sought assurance via Ofsted and our own work that the Council has established arrangements for communicating and implementing the local offer setting out support for children and young people's special educational needs and/or disabilities in line with the Children and Families Act 2014.

2. Audit Opinion and Conclusion.

- 2.1. Overall, the findings from the Ofsted review were positive and the inspectors found that leaders have a clear vision for improving the outcomes of children and young people with SEND and that this vision is well documented. However, the communication of help and support available to parents needs to be improved, specifically in relation to the Local Offer. Ofsted identified several areas for development as identified below, in terms of parents either not being aware of the Local Offer or finding it support difficult to locate on the Council's website.
- 2.2. From our searches of the website, we found accessing the offer by its title was quite straightforward on all search engines. We consider work should focus on promoting the existence of the offer to parents, so they are aware of it and where to find it and then ensuring that once accessed it is easy to navigate through the

process. Also work could be completed to make the parents forum on Facebook and the newsletter more widely accessible.

- 2.3. The Ofsted report was presented to Children’s and Young People Scrutiny Committee in March 2022 [link here](#)(see public reports pack page 17). This report confirmed that the existing multi agency SEND action plan, which is monitored and reviewed through the SEND Board and Chaired by the Director of Education, will be reviewed, and revised following the inspection. This will address the areas identified for further development, including actions relating to the Local Offer. We are therefore assured those arrangements are in place to further strengthen arrangements around the Local Offer to address the issues raised by Ofsted.
- 2.4. Based primarily on the Ofsted inspection results and our review of website accessibility and useability, we can offer **reasonable assurance** that the Council has established arrangements for communicating and implementing the local offer setting out support for children and young people’s special educational needs and/or disabilities in line with the Children and Families Act 2014.

3. Summary of assurances

Key Areas of Strength and Positive Compliance

- 3.1. During the COVID 19 pandemic Leaders recognised the strain some families were under, and they worked with the parent carer forum (PCF) whom which they have a strong working relationship to ensure the right services and offers were provided during the pandemic.
- 3.2. The inspectors found that the PCF both challenges and supports area leaders in equal measure, this ensures that leaders’ plans incorporate the views, wishes and feelings of parents and carers across the city.
- 3.3. Area leaders in health, social care and education use social media to advertise support to parents. Parent champions, who are volunteer SEND advocates, have been appointed across the city. It was identified that parents value the advice and guidance that they receive from this group.

Key Areas for Development

- 3.4. In terms of specific comments on the Local Offer, the Ofsted report identified that area leaders have worked hard to improve how they communicate with key stakeholders, including parents. However, Ofsted found that too many parents say that they have not heard of the online local offer. Those who are aware of the online local offer have found it difficult to use.
- 3.5. It was identified that the local offer is not well understood by parents. It was found that many reported that they have not heard of it. When they have heard of it, many parents said that they cannot find the information that they need. Many parents rely on friends and family for important advice and information. This results in parents feeling that they have not received the same quality of information and guidance as others across the area to access timely support for their child.

4. Key findings from our website review

- 4.1. We undertook a search for the local offer using Microsoft Edge using the search “Manchester send local offer”. The first option on the search took us straight to the Manchester City Council website. This page was easy to navigate for example we looked for support groups for a 2-year-old and we were able to navigate to this and find a list of support groups including contact details in the Manchester area. We also looked for where we could get help for a 11-16-year-old and again found this was simple to navigate to and we were presented with a list of support services including a list of organisations and their contact details.
- 4.2. We carried out the same search using Google Chrome and again used the search “Manchester send local offer”. The first website listed on the Google Chrome search also took us straight to the Manchester City Council website and we could easily navigate the website.
- 4.3. There is a parent champion forum on Facebook however this does not come up on a Facebook search using “Manchester send local offer”. We are only aware of this through our discussion with the “SEND engagement & Young Carers Lead”.
- 4.4. There is also a newsletter which is sent out to parents however we were unable to find reference to this on the Manchester Council website and we are aware of it through discussions with the “SEND engagement & Young Carers Lead”. The newsletter is located on the Council Website however this is not the most recent as per the email newsletters which we receive.
- 4.5. Therefore, once you are aware of the SEND local offer from our brief searches the navigation to it was quite straight forward, therefore raising the awareness of the offer amongst families in Manchester through promotional campaigns may be the best way to address issues identified by OFSTED in relation to engagement with parents rather than changing the navigation to the website.

REF 2F - ADULTS MANAGEMENT OVERSIGHT & SUPERVISIONS**Internal Audit Report 2021/22****Adults Services****Management Oversight and Supervisions****Distribution - This report is confidential for the following recipients**

Name	Title
Jolaade Anjorin	Principal Social Worker Adults, Responsible Officer
Bernadette Enright	Executive Director of Commissioning & DASS, Accountable Officer
Paul Covell	Assistant Director, Adults Social Care
Sarah Broad	Deputy Director of Adults Services
Councillor Midgley	Executive Member Adults Services
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors

Lead Auditor	Emma Maddocks	234 5269
Deputy Head of Audit & Risk Management	Richard Thomas	455 1019
Head of Audit & Risk Management	Tom Powell	800 35273

Draft Report Issued	24 June 2022
Final Report Issued	7 September 2022

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance over the arrangements in place to ensure sufficient and appropriate supervision and management oversight is undertaken in Adults Services	Reasonable	High

Sub objectives that contribute to overall opinion	Assurance
There are appropriate policies and procedures in place.	Reasonable
Records demonstrate consistent compliance with agreed arrangements.	Reasonable
Accurate and timely management information is produced to support performance management.	Limited
There are links into and out of the Adults Services quality assurance (QA) process in relation to both.	Reasonable

Key Actions	Risk	Priority	Planned Action Date
The Principal Social Worker should ensure that the Supervision guidance document is renamed as a Supervision's policy.	Significant	6 months	Completed August 2022
<p>The Principal Social Worker should remind Supervisors of the need to ensure timely completion of supervisions for all staff (including agency workers and ASYEs) in line with the Supervision's guidance.</p> <p>They should also be reminded of the need to record when the supervisions have been completed on the supervision tracker record and to keep records of all supervisions.</p> <p>The Principal Social Worker should also continue the work to enable up to date staff</p>	Significant	6 months	30 September 2022

details on the central tracker record to allow effective and regular monitoring of the timeliness of supervisions to be completed.			
The Principal Social Worker should review the requirements for case discussions recording in supervisions to ensure clarity over the recording requirements for both the supervision document and liquid logic.	Significant	6 months	Completed August 2022

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 Requirements around Management Oversight and Supervision in Adults Services are set out in the Adults Services supervision guidance. This was reviewed and reissued in November 2020. This document establishes that regular and effective supervision is an essential element of effective staff management and development. Regulation 18 of the Health and Social Care Act 2008 (Regulated Activities), states that 'staff must receive the support, training, professional development, supervision and appraisals that are necessary for them to carry out their role and responsibilities'. The Local Government Association (LGA) published The Standards for Employers of Social Workers in England, on behalf of the Social Work Reform partners which confirms that 'employers should ensure that social workers have regular and appropriate social work supervision'.
- 1.2 We last completed an audit of Management Oversight and Supervisions in 2018 providing limited assurance, all recommendations from this review were signed off as implemented. We had planned further audits in this area, but these were postponed; initially to allow the revised guidance to be issued and embedded in the service and subsequently because of COVID. Revised guidance should now be fully embedded in working practices, and we agreed with management to audit these arrangements, following similar objectives and scope to the previous work completed in 2018.

2. Conclusion and Opinion

- 2.1. Overall, we can provide a **Reasonable** audit opinion over arrangements in place to ensure sufficient and appropriate supervision and management oversight arrangements in Adults Services. There has been significant progress made in developing and embedding supervision arrangements in Adults since the last time we reviewed arrangements in 2018. Interviews with staff and managers confirmed that each were clear on the supervision requirements and staff were positive over

the effectiveness of their supervisions and a real commitment to the supervisions process was evident.

- 2.2. We are satisfied that staff receive supervisions with standard agendas and template supervision records used to ensure consistency across the service. We are also satisfied these supervisors have received the necessary supervision training and that update training is in the process of being developed.
- 2.3. We have however identified a few areas where improvements could still be made to strengthen these arrangements. In terms of timeliness of supervisions, several individuals in our sample had supervisions that were not compliant with the central guidance. We therefore consider that as well as reminding staff of the need for timely supervisions, the work being completed to ensure an accurate and up to date staff list for the central tracker record is vitally important to enable central monitoring and challenge of the timeliness of supervisions.
- 2.4. There are inconsistencies with how casework discussions are documented and evidenced across the business. Reviewing and confirming requirements in this area will also help ensure consistency of documentation, particularly around key actions and follow up of these key actions which will strengthen the effectiveness of supervisions.
- 2.5. We made three significant risk and three moderate risk recommendations which are outlined in our summary of findings below and are described in more detail in Appendix 1 which when implemented will strengthen this process.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1. The supervisions guidance included a template supervision document to be used in supervisions, this template was used for all of the supervisions included in our sample.
- 3.2. All managers and supervisors we interviewed confirmed they had received initial training on undertaking supervisions.
- 3.3. When supervision had been moved to remote arrangements during COVID, revised arrangements for agreement and sign off of supervision records between supervisors and supervisees had been agreed. All supervisees interviewed were happy that they were given the opportunity to agree and sign off the records of their supervisions.
- 3.4. There was evidence of consistent coverage of individual staff members personal development in all of the supervisions reviewed.
- 3.5. Audits of supervisions and staff surveys were regularly being used to support improvements to the framework and to drive consistency and quality of supervisions.
- 3.6. The Principal Social Worker confirmed that they are planning upcoming refresher training around supervisions for managers.
- 3.7. Whilst the Adults QA framework is in the process of being updated, we understand there are plans to link the supervisions framework to this. It is positive to see that the supervisions framework itself includes arrangements for quality assuring supervisions through the audit and staff survey processes.

Key Areas for Development

- 3.8. We have made three significant risk recommendations and three moderate risk recommendations in this report. Specifically in relation to the issues rated as significant risks we have recommend that management should:
 - Change the current supervision guidance into a supervisions policy to ensure that officers can be held to account for not complying with its requirements if necessary.
 - Remind staff of the need to complete supervisions on a timely basis in line with the supervision guidance and also to submit confirmation of completed supervisions to the supervision tracker. Supervisors should also be reminded of the need to retain records of all supervisions.
 - The Principal Social Worker should also continue work started with HR to enable up to date staff details on the monitoring tracker document to allow effective and regular monitoring of the timeliness of supervisions to be completed.
 - The Principal Social Worker should review the requirements for case discussion recording in supervisions to ensure there is clarity over the recording requirements for both the supervision document and liquid logic.

REF 2G – OUR TOWN HALL WORK PACKAGES**Internal Audit Report 2022/23****Corporate Core****Our Town Hall - Management of Work Package Delivery and Payments****Distribution - This report is confidential for the following recipients**

Name	Title
Carol Culley	Deputy Chief Executive and City Treasurer, Accountable Officer
Jared Allen	SRO and Director of Capital Programmes, Accountable Officer
Paul Candelent	Project Director, OTH Project, Responsible Officer
Helen Pixton	Finance Lead - OTH

The final report will also be issued to the following recipients

Councillor Rahman	Executive Member
Joanne Roney	Chief Executive
Fiona Ledden	City Solicitor
Tom Wilkinson	Deputy City Treasurer
Simon Livesey	External Audit (Mazars)

Report Authors

Lead Auditor	Clare Roper	07940 410849
Deputy Head of Audit & Risk Management	Richard Thomas	07971 227687
Head of Audit and Risk Management	Tom Powell	07956 317457

Draft Report Issued	25 August 2022
Final Report Issued	21 September 2022

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance over arrangements in place to ensure the effective management of work packages.	Substantial	Medium

Sub objectives that contribute to overall opinion	Assurance
Work is clearly defined and allocated to enable the delivery of it to be managed and controlled.	Substantial
Systems and processes are in place to assess work against time and quality standards.	Reasonable
Payments are made in line with prices agreed and there are suitable controls over any variations.	Substantial
Key project documents including the project cost plan, programme status and budget monitoring reports for work completed and payments are used to inform decision making.	Reasonable

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
Not applicable	-	-	-

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 As part of a series of reviews over the lifecycle of the Our Town Hall project we agreed with the Project Director to review the management of work packages at various stages of the project. This work builds on previous work undertaken during 2021 with a focus on the stone repair works package currently being delivered through four separate lots.
- 1.2 It is critical that work is completed on time, to budget and relevant standards to ensure that the overall programme of work is delivered in the planned timescale outlined within the project programme and the project cost plan. As such we have assessed this area as having a high business impact.

2. Conclusion and Opinion

- 2.1 Overall, we can provide a substantial assurance opinion over the arrangements in place to ensure the effective management of the stone repair work package. There were established processes and controls to manage and determine progress with the ongoing delivery of the stone repair work package. Collaborative working amongst Faithful + Gould (F+G), the Council's appointed quantity surveyor and Lendlease (LL), the management contractor, was evident from audit testing.
- 2.2 There was good evidence to support work variations and the payment approval process. However, for one of the work package lots, the works contractor had raised a point regarding a lack of substantiation from the management contractor regarding a payment reduction. Therefore, we consider there is a need for improvements to the supporting records behind any communication with work contractors where the original payment application is reduced. This will help to ensure greater clarity and transparency over future substantiations of this nature.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1 Cost divergence and monitoring processes had improved since our last review in July 2021 with the financial position of work packages reported by F+G and LL reviewed and reconciled more frequently. There was a recognition from the project team that due to the nature of the project and operating two systems they continue to expect a level of divergence between the LL and F+G cost reporting. However, both organisations' commercial teams work collaboratively to monitor this on a weekly basis to close out, where possible, any in-month discrepancies.
- 3.2 To manage this, within an acceptable threshold, approval was given by the Project Director for a £75k level of tolerance in any one month. We reviewed the most up to date cost reporting available for the stone repair work package at the time of the audit and confirmed there was only a small difference for one of the lots (Lot 1a with a divergence of £2,455), the remaining three reconciled which provides assurance over the strengthened controls over cost reporting.
- 3.3 Robust progress monitoring activity was evident for the work package reviewed with progress monitored in several ways. A digital task management system was utilised for the project and is intended to facilitate task management, quality control, progress reporting and insights into commercial assessment of work completed on

site. The works contractors report progress and submit activities as complete when required which then become available for review by LL.

- 3.4 An established meeting structure is in place supported by progress reports, agendas and minutes which provides evidence of the ongoing monitoring of the work package in terms of delivery, quality, scheduling of works etc. These include monthly progress, short and medium range, buildability, and cluster meetings amongst others.
- 3.5 Current and emerging risks associated with work package delivery identified through the progress reporting processes are picked up at the risk reduction meetings between the management contractor and the Council project team ensuring any mitigations are agreed and sufficient for the risk.
- 3.6 There were robust controls over payments and suitable evidence maintained to support the amount paid. We reviewed a sample of payments to the work package contractors and were able to verify the amounts paid against supporting records from F+G which provided assurance that payments were being made in accordance with their valuation. All payments tested were made in a timely manner and in advance of the payment due date.
- 3.7 Variations relating to the work package reviewed were recorded separately within the payment application and included a good level of detail including description, amount, instruction number and commercial status of whether this was agreed or not. A sample of variations across the lots were reviewed and we were satisfied with the nature of evidence that was provided to support the variation.

Key Areas for Development

- 3.8 As part of our review of progress reports for the work package, we noted that a report from one of the contractors highlighted that the reduction in valuation had not been substantiated by LL, despite a request for this from the contractor. As such we recommend that the project team follow this up and put in place controls to ensure there is a record of communication with the works contractor where the payment application is reduced. This will help to provide transparency over changes to the amount requested whilst ensuring a suitable evidence trail is maintained which can be referred to later if needed.
- 3.8 Whilst not clear if this directly impacts this work package, this is an area which we consider warrants attention from the Council's project team. Valuation 39 documentation from F+G, which advises the Council of the amount payable to LL, stated that two of the Supervising Consultants responsible for checking the quality of the Works had confirmed their approval of the quality of materials/standard or workmanship achieved to date. Whilst this provides additional assurance to MCC over the quality of work we did note that within this same correspondence F+G advised that no response had been received from the remaining two Supervising Consultants responsible for checking the quality of the Works. The extent and risk of non-response from these two parties should be assessed and remedial action taken where appropriate.

REF 2H – HARDWARE ASSET MANAGEMENT**Internal Audit Report 2021/22****Corporate Core Directorate, ICT****ICT Hardware Asset Management****This report is confidential for the following recipients**

Name	Title
Chris Wanley	Director of ICT, Responsible Officer
Carol Culley	Deputy Chief Executive and City Treasurer, Accountable Officer
Sarah Fannon	Head of ICT Service Operations
Leanne Edwards	ICT Strategic Business Partner
Elizabeth Rand	ICT Programme Manager
Craig Seed	ICT Service Manager
Mary Lynch	Head of Programme Office
Councillor Akbar	Executive Member
Councillor Stanton	Deputy Executive Member
Joanne Roney	Chief Executive
Fiona Ledden	City Solicitor
Simon Livesey	External Audit (Mazars)

Report Authors

Lead Auditor	Kate Walter	0161 234 5292
Deputy Head of Audit & Risk Management	Richard Thomas	0161 455 1019

Draft Report Issued	19 July 2022
Final Report Issued	19 August 2022

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To evaluate the effectiveness of the controls in place in managing the IT assets throughout their lifecycle.	Reasonable	High

Sub objectives that contribute to overall opinion	Assurance
Governance: policy, procedures, job roles and responsibilities covering the IT asset lifecycle.	Reasonable
IT asset lifecycle: requests, procurement, stock management, deployment, disposal management or end of lifecycle.	Reasonable
Reconciliation of inventory, tracking and performance reporting.	Substantial

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
Management should ensure that asset scans include all networked computing devices, including Apple products. These should be updated within ServiceNow accordingly.	Significant	6 months	31 July 2023
Management should raise staff awareness around preventing cross-use of devices and the risks involved.	Significant	6 months	31 December 2022

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1. The provision of appropriate ICT is critical to the effective function of most large organisations. A key part of this is ensuring that staff have suitable ICT equipment to access required software and to effectively discharge their roles. The collection of activities and processes underpinning this key business requirement is known as Hardware Asset Management.
- 1.2. The Council has undertaken a large End User Device Refresh project. The purpose of this was to recognise the benefits of a more agile workforce, that is encouraged to adopt a hybrid working model and to select the best location for the delivery of work on an ongoing basis. The Council's ICT hardware estate was aged and was not suitable to effectively support this way of working. Consequently, the End User Device Refresh project was established to replace an estate of mainly fixed-desk PCs and Wyse terminals with a "laptop by default" offering. The project was also tasked with replacing obsolete mobile phones.
- 1.3. By mid-June 2022 the project had provided a suitable primary work device to over 4600 users, with almost 1500 mobile phones also having been deployed. A total of £4.2million had been spent. The Project Initiation Document stated that the project was designed to support 7410 staff, providing 4000 laptops and 2300 smart phones.
- 1.4. Given the size and complexity of the ICT hardware estate, the level of spend on replacement devices, and the inherent risks around effective operation of the ICT asset management lifecycle in a large and complex organisation, we agreed with managers to provide assurance over the effectiveness of the design and operation of controls in this area.

2. Conclusion and Opinion

- 2.1. We are able to give reasonable assurance over the design and operation of controls over ICT asset management. We were broadly satisfied with the governance of ICT asset management and the emerging performance monitoring arrangements in place. However, we have made some recommendations for improvement, primarily in relation to the day-to-day operation of the ICT asset lifecycle.
- 2.2. We recognise that effective asset management is dependent on the effective operation of several corporate processes, including joiner/mover/leaver processes, and compliance with corporate purchasing policies.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1. Arrangements for policy development, review and approval are defined and are appropriate. There is a clear assignation of responsibility in ICT, with a dedicated Service Manager for End User Computing.
- 3.2. Service managers are required to submit a request for a device, including a business case, before purchases are made. A catalogue of specific items available for request was provided through 'Know it All' (KIA) Now. Purchases were made through a framework agreement.

- 3.3. There is segregation of duties between purchase, receipt, storage, and deployment of assets. When stored on Council premises, stock is appropriately secured in restricted access areas.
- 3.4. Devices are built to a standard specification and asset tagged. A list of assets was provided by the supplier and reconciled to deliveries on receipt. All new assets are recorded in ServiceNow, with access to amend asset records appropriately restricted to a small number of staff.
- 3.5. There is an appropriate policy and supporting reporting arrangements to notify ICT of lost or stolen devices.
- 3.6. At the end of their useful lifetime, assets were disposed of in a secure and timely manner.

Key Areas for Development

- 3.7. The scope of asset scanning should be expanded to include non-standard devices that connect to the network, including Apple devices.
- 3.8. Action should be taken to raise staff awareness around the risks of cross-use of devices, and the need to inform ICT of any changes in ownership.
- 3.9. ICT should improve the accuracy of recording of assets marked for disposal. During our work we identified some duplication in serial numbers and asset tag references recorded.
- 3.10. Procedures for asset management should be reviewed to ensure they are aligned to the updated ICT Strategy and future target operating model.

REF 21 – COLLYHURST NURSERY SCHOOL**Internal Audit Report 2022/23****School Financial Health Check: Collyhurst Nursery School and Children's Centre.****Distribution - This report is confidential for the following recipients**

Jade Wright	Chair of Governors
Sadia Rulal	Chief Financial Officer GMAT Trust
Councillor Bridges	Executive Member for Children and Schools
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Paul Marshall	Strategic Director, Children's, and Education Services
Amanda Corcoran	Director of Education & Skills
Anne Summerfield	Directorate Finance Lead -Schools and Education
Simon Livesey	External Audit (Mazars)

Report Author

Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5369
Deputy Head of Internal Audit and Risk Management	Richard Thomas	455 1019

Draft Report Issued	30 August 2022
Final Report Issued	26 September 2022

Audit Objective	Overall Implementation Status
To provide assurance over the implementation of recommendations agreed in response to the audit of Collyhurst Nursery School and Children's Centre issued 30 September 2021.	Not Implemented

1. Audit Summary

- 1.1. Internal audit reviewed financial controls at the school in November 2021 and concluded a limited assurance opinion, making several significant recommendations to improve the control environment.
- 1.2. Since our audit in November 2021 Greater Manchester Academies Trust (GMAT) leadership have taken on a role supporting and overseeing Collyhurst Nursery and Children's Centre since January 2022 as there is currently no Head Teacher or Finance Manager in post.
- 1.3. We requested supporting documentation electronically to assess the progress made in addressing the recommendations made in the November 2021 audit report. However, when we made contact in relation to implementation of recommendations, GMAT confirmed to us that they were not aware of the audit and had not seen the audit report. Therefore, they were unable to provide an update on implementation of recommendations at the time, we did however agree that moving forward they would provide us regular updates on progress in implementing the recommendations. We will undertake a further formal follow up of implementation in September 2022 with a view to receive evidence of progress in implementing the outstanding recommendations.

2. Conclusion and Opinion

- 2.1. Our review concludes that the overall exposure to risk has not been reduced at this stage as we have not been able to confirm implementation of any of the recommendations at this stage. However, given GMAT are now aware of the recommendations and need for validation of implementation we are hopeful that progress can be reported during our next formal follow up review.
- 2.1 The original Critical and Significant recommendations and current confirmed status are attached at Appendix 1. No progress has been made for four significant recommendations made.
- 2.2. The key actions that still need to be addressed are as follows:
 - Develop Financial Procedures and Scheme of Delegation with regards to the areas for improvement made in the original recommendation.
 - Ensuring that Bank Reconciliations are completed in a timely manner.
 - Ensure that purchase orders are raised for all purchases prior to the purchase and that these are appropriately approved.
 - Revision of the Business Card processes in line with the recommendation.

REF 2J – ST MARGARETS PRIMARY**Internal Audit Report 2022/23****School Financial Health Check Follow Up: St Margaret's C of E Primary School****Distribution - This report is confidential for the following recipients**

David Hunter	Head Teacher, Responsible Officer
Mariam Al-Bayati	Chair of Governors, Accountable Officer
Debbie Smith	School Business Manager
Councillor Bridges	Executive Member for Children and Schools
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Paul Marshall	Strategic Director, Children's, and Education Services
Amanda Corcoran	Director of Education & Skills
Anne Summerfield	Directorate Finance Lead -Schools and Education
Simon Livesey	External Audit (Mazars)

Report Author

Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5369
Deputy Head of Internal Audit and Risk Management	Richard Thomas	455 1019

Draft Report Issued	20 September 2022
Final Report Issued	26 September 2022

Audit Objective	Overall Implementation Status
To provide assurance over the implementation of recommendations agreed in response to the audit of St Margaret's C of E Primary School issued 15 November 2019.	Partially Implemented

1. Audit Summary

- 1.1. Internal audit reviewed financial controls at the school in November 2019 and concluded a limited assurance opinion, making several significant recommendations to improve the control environment.
- 1.2. We reviewed the school again via a follow up audit in May 2021 and concluded that some progress had been made in reducing the exposure to risk with two recommendations fully implemented and some progress evident in other areas. At this point we were unable to confirm that all recommendations had been completed to reduce risk to an acceptable level.
- 1.3. In June 2022, we requested some supporting documentation electronically to re-assess progress. This report summarises the current position and control status.
- 1.4. This was not a full re-review of the financial controls operating at the school but rather an assessment of progress made with implementation of the agreed audit recommendations.

2. Conclusion and Opinion

- 2.2 We can conclude that some progress has been made to further reduce the exposure to risk, however no further recommendations have been fully implemented.
- 2.3 There remain three partially implemented recommendations and one not implemented.
- 2.4 The key actions that still need to be addressed are as follows:
 - Develop the School development plan into a three-year document linked to the three-year budget.
 - Update the Scheme of Financial Delegation to include detail of approval requirements for budget virements by the Governing Body.
 - Ensure that purchasing controls are consistently applied for all purchases made at the school.
- 2.5 We will arrange a follow up visit in October 2022 to complete further testing on recommendations which are not identified as implemented.

REF 2K – SACRED HEART RC PRIMARY**Internal Audit Report 2022/23****School Financial Health Check: Follow Up Sacred Heart RC Primary**

Distribution - This report is confidential for the following recipients	
Suzanne Walker	Head Teacher, Responsible Officer
Mrs Barbara Porter	Chair of Governors, Accountable Officer
Cheryl Warner	School Business Manager
Councillor Bridges	Executive Member for Children and Schools
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Paul Marshall	Strategic Director, Children's, and Education Services
Amanda Corcoran	Director of Education & Skills
Anne Summerfield	Directorate Finance Lead -Schools and Education
Simon Livesey	External Audit (Mazars)

Report Author		
Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5369
Deputy Head of Internal Audit and Risk Management	Richard Thomas	455 1019

Draft Report Issued	20 September 2022
Final Report Issued	26 September 2022

Audit Objective	Overall Implementation Status
To provide assurance over the implementation of recommendations agreed in response to the audit of Sacred Heart RC Primary School issued 27 March 2020.	Partially Implemented

1. **Audit Summary**

- 1.1. A review of action taken to implement the audit recommendations made in the Financial Health Check review (published 27 March 2020) was undertaken in June 2022. The March 2020 audit provided limited assurance and recommendations were made to support strengthening the governance and financial controls in operation at the school.
- 1.2. We requested supporting documentation electronically to assess the progress made in addressing the recommendations made in the March 2020 audit report. Internal Audit have reviewed evidence and this report summarises the outcome of our assessment.
- 1.3. This was not a full re-review of the financial controls in the school but rather an assessment of progress made with implementation of the agreed audit recommendations rated as significant and critical risks.

2. **Conclusion and Opinion**

- 2.1. We can confirm that two of the recommendations made in our initial audit have now been fully implemented and that two are considered partially implemented with further testing to be undertaken in October 2022. However, we can confirm therefore the exposure to risk has been significantly reduced.

REF 2L – LILLY LANE PRIMARY**Internal Audit Report 2022/23****School Financial Health Check: Follow Up Lily Lane Primary School.**

Distribution - This report is confidential for the following recipients	
Sarah Murray	Executive Head Teacher, Responsible Officer
Simon Taylor	Chair of Interim Executive Board
Mohammed Hussain-Ahmed	Business Manager
Councillor Bridges	Executive Member for Children and Schools
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Paul Marshall	Strategic Director, Children's and Education Services
Amanda Corcoran	Director of Education & Skills
Anne Summerfield	Directorate Finance Lead, Schools
Simon Livesey	External Audit (Mazars)

Report Author		
Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5369
Deputy Head of Internal Audit and Risk Management	Richard Thomas	455 1019

Draft Report Issued	8 September 2022
Final Report Issued	22 September 2022

Audit Objective	Overall Implementation Status
To provide assurance over the implementation of recommendations agreed in response to the audit of Lily Lane Primary School issued 2 July 2020.	Partially Implemented

1. Audit Summary

- 1.1. Internal audit reviewed financial controls at the school in July 2020 and concluded a limited assurance opinion, making several significant recommendations to improve the control environment.
- 1.2. We reviewed the school again via a follow up audit in July 2021 and concluded that some progress had been made in reducing the exposure to risk with two recommendations fully implemented and some progress evident in other areas. At this point we were unable to confirm that all recommendations had been completed to reduce risk to an acceptable level.
- 1.3. In June 2022, we requested some supporting documentation electronically and visited the school to review remaining documentation to re-assess progress. This report summarises the current position and control status.
- 1.4. This was not a full re-review of the financial controls operating at the school but rather an assessment of progress made with implementation of the agreed audit recommendations.

2. Conclusion and Opinion

- 2.1 We conclude that, whilst there have been positive actions taken to strengthen financial control and the exposure to risk has been reduced, some elements of the work remain outstanding, and therefore our opinion is partially implemented.
- 2.2 The original Critical and Significant recommendations and current confirmed status are attached at Appendix 1. Progress has been made for all seven recommendations and we have seen evidence of progress in further reducing the exposure to risk since our last follow up review in June 2021. Current progress is as follows:
 - Four recommendations (two critical and two significant) have been fully implemented.
 - Progress has been made towards implementation of the remaining three recommendations (one critical and two significant).
- 2.3 The key actions that still need to be addressed are as follows:
 - Compliance with controls around approval of charge card transactions and ensuring the card is signed into and out of the safe in a timely fashion need to be improved.
 - Ensure quotations and tenders are sought in line with the School Financial Regulations and where a decision is taken not to obtain quotations ensure the reason should be in line with the exemptions identified in the financial regulations.
 - Ensure compliance with the scheme of delegation and financial procedures in the schools purchasing activity.
- 2.4 The explanation of recommendation prioritisation and follow up assurance is attached at Appendix 2.

- 2.5 We have agreed with the School Business Manager to arrange a visit to School in October 2022 to complete further testing with a view to seeing sufficient compliance to enable us to sign off the remaining recommendations as fully implemented.

REF 2M – ST PHILLIPS PRIMARY**Internal Audit Report 2022/23****School Financial Health Check: Follow Up St Philips Primary School**

Distribution - This report is confidential for the following recipients	
Gavin Shortall	Executive Head Teacher
Philip Geldard	Chair of Governors
Sandra Jamieson	Acting Head Teacher
Dee Holland	Business Manager
Councillor Bridges	Executive Member for Children and Schools
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Paul Marshall	Strategic Director, Children's and Education Services
Amanda Corcoran	Director of Education & Skills
Reena Kohli	Directorate Finance Lead, Children's Finance
Simon Livesey	External Audit (Mazars)

Report Author		
Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5369
Deputy Head of Internal Audit and Risk Management	Richard Thomas	455 1019

Draft Report Issued	14 September 2022
Final Report Issued	22 September 2022

Audit Objective	Overall Implementation Status
To provide assurance over the implementation of recommendations agreed in response to the audit of St Philips Primary School issued 14 October 2021.	Partially Implemented

1. Audit Summary

- 1.1. Internal audit reviewed financial controls at the school in October 2021 and concluded a limited assurance opinion, making several significant recommendations to improve the control environment.
- 1.2. In July 2022 we requested some supporting documentation electronically and visited the school to review remaining documentation to assess the progress made in addressing the recommendations made in the October 2021 audit report. Internal Audit have reviewed evidence and this report summarises the outcome of our assessment.
- 1.3. This was not a full re-review of the financial controls in the school but rather an assessment of progress made with implementation of the agreed audit recommendations rated as significant and critical risks.

2. Conclusion and Opinion

- 2.1 The overall exposure to risk has been reduced with progress made in implementing or at least partially implementing all recommendations made in the original report. The Critical and Significant recommendations and current confirmed status are attached at Appendix 1. Progress has been made for all seven recommendations as follows.
 - Three recommendations (significant risk) have been fully implemented.
 - Progress has been made towards implementing the remaining four recommendations (two critical and two significant).
- 2.2. The key actions that still need to be addressed are as follows:
 - Ensure segregation of duties are defined in the scheme of delegation.
 - Development of the School Development Plan into a three-year plan.
 - Reduction in the number of non-orders being raised.
 - Ensuring all debit card purchases are approved in advance of the purchase being made.
- 2.3. The explanation of recommendation prioritisation and follow up assurance is attached at Appendix 2.
- 2.4. We have agreed with the School Business Manager to arrange a visit to the School in October 2022 to complete further testing with a view to seeing sufficient compliance to enable us to sign off the remaining recommendations as fully implemented.

REF 2N – ALL SAINTS NEWTON HEATH**Internal Audit Report 2022/23****School Financial Health Check: Follow Up All Saints Newton Heath Primary School**

Distribution - This report is confidential for the following recipients	
John Sharp	Headteacher
O Wadsworth	Chair of Governors
Serena Powell	School Business Manager
Councillor Bridges	Executive Member for Children and Schools
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Paul Marshall	Strategic Director, Children's and Education Services
Amanda Corcoran	Director of Education & Skills
Vandhna Kohli	Directorate Finance Lead, Children's Finance
Simon Livesey	External Audit (Mazars)

Report Author		
Senior Auditor	Bethan Booth	801 36697
Lead Auditor	Emma Maddocks	234 5369
Deputy Head of Internal Audit and Risk Management	Richard Thomas	455 1019

Draft Report Issued	23 August 2022
Final Report Issued	21 September 2022

Audit Objective	Overall Implementation Status
To provide assurance over the implementation of recommendations agreed in response to the audit of All Saints Newton Heath Primary School issued 4 December 2021.	Partially Implemented

1. Audit Summary

- 1.1. Internal audit completed a financial health check at the school in December 2021 and concluded a limited assurance opinion, making several significant recommendations to improve the control environment.
- 1.2. In June 2022, we requested some supporting documentation electronically and visited the school to complete a follow up audit and review documentation to assess progress made in implementing recommendations made in the December 2021 report. This report summarises the current position and control status.
- 1.3. This was not a full re-review of the financial controls in the school but rather an assessment of progress made with implementation of the agreed audit recommendations rated as significant and critical risks.

2. Conclusion and Opinion

- 2.1 The overall exposure to risk has been reduced with progress made in implementing or at least partially implementing all recommendations made in the original report. Critical and Significant recommendations and current confirmed status are attached at Appendix 1. Progress has been made for all nine recommendations as follows.
 - Five recommendations (one critical and four significant) have been fully implemented.
 - One critical recommendation was rejected by the school.
 - Progress has been made towards implementation of the remaining three recommendations (two critical and one significant).
- 2.2. The key actions that still need to be addressed are as follows:
 - Ensure a clear separation of duties is included in the allocation of roles and responsibilities in the Schools Scheme of Financial Delegation.
 - Ensure separation of duties is demonstrated throughout the purchasing process and introduce the requirements for invoices to be certified for payment before payment is made to suppliers.
- 2.3. The explanation of recommendation prioritisation and follow up assurance is attached at Appendix 2.
- 2.4. We have agreed with the Head Teacher to arrange a further follow up visit to School in October 2022 to complete further testing, with a view to obtaining sufficient evidence of compliance to enable us to sign off the remaining recommendations as fully implemented.

Appendix Three: Basis of Audit Assessments (Opinion/Priority/Impact)

Level of Assurance	Description		
<i>The level of assurance is an auditor judgement applied using the following criteria</i>			
Substantial	Sound system of governance, risk management and control. Issues noted do not put the overall strategy / service / system / process objectives at risk. Recommendations will be moderate or minor.		
Reasonable	Areas for improvement in the system of governance and control, which may put the strategy / service / system / process objectives at risk. Recommendations will be moderate or a small number of significant priority.		
Limited	Significant areas for improvement in important aspects of the systems of governance and control, which put the strategy / service / system / process objectives at risk. Recommendations will be significant and relate to key risks.		
No	An absence of effective governance and control is leaving the strategy / service / system / process open to major risk, abuse, or error. Critical priority or several significant priority actions.		
Priority	Assessment Rationale		
<i>The priority assigned to recommendations is an auditor judgment applied using an assessment of potential risk in terms of impact and likelihood.</i>			
Critical	Significant	Moderate	Minor
Actions < 3 months	Actions < 6 months	Actions < 12 months	Management discretion
<ul style="list-style-type: none"> Impact on corporate governance Life threatening / multiple serious injuries or prolonged work place stress Severe impact on service delivery National political or media scrutiny Possible criminal or civil action Failure of major projects SMT required to intervene. Statutory intervention triggered. Large (25%) impact on costs/income Impact on the whole Council. 		<ul style="list-style-type: none"> Some impact on service governance Some risk of minor injuries or workplace stress Impact on service efficiency Internal or localised external scrutiny Procedural non compliance Impact on service projects Handled within Service No external regulator implications Cost impact managed at Service level Impact on Service or Team 	
Impact			
<i>Impact is the auditor assessment of criticality of the strategy / service / system / process being audited to the achievement of the Council's priorities and</i>			

<i>discharge of functions and duties in the following areas. This is described in the Audit Terms of Reference</i>	
Strategic Objectives	Key Partnerships
Safety and Welfare	Finance and Resources
Corporate Risk	Key Service Fulfilment
Organisational Change	Statutory Duty

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**Manchester City Council
Report for Information**

Report to: Audit Committee – 18 October 2022

Subject: Outstanding Audit Recommendations

Report of: Head of Audit and Risk Management

Summary

In accordance with Public Sector Internal Audit Standards, the Head of Audit and Risk Management must “establish and maintain a system to monitor the disposition of results communicated to management; and a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action”. For Manchester City Council this system includes reporting to directors and their management teams, Strategic Management Team, Executive Members and Audit Committee. This report summarises the current implementation position and arrangements for monitoring and reporting internal and external audit recommendations.

Recommendations

The Committee is recommended to note the service review update and receive further progress reports.

Wards Affected: ALL

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

None

Equality, Diversity, and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

None

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities.	An effective internal audit service is an integral part of the Council's governance arrangements. It helps to maintain and develop good governance and risk management and provides independent assurance over the effectiveness of the Council's systems of control. This contributes to being a well-run Council and indirectly to the achievement of organisational objectives and the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success.	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities.	
A liveable and low carbon city: a destination of choice to live, visit, work.	
A connected city: world class infrastructure and connectivity to drive growth.	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue = None

Financial Consequences – Capital = None

Contact Officers:

Name: Carol Culley
 Position: Deputy Chief Executive and City Treasurer
 Telephone: 0161 234 3506
 E-mail: carol.culley@manchester.gov.uk

Name: Tom Powell
 Position: Head of Audit and Risk Management
 Telephone: 0161 234 5273
 E-mail tom.powell@manchester.gov.uk

Name: Richard Thomas
 Position: Deputy Head of Audit and Risk Management
 Telephone: 0161 455 1019
 E-mail: richard.thomas@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Internal Audit reports to Audit Committee
- Outstanding Audit Recommendations Report to Audit Committee – July 2022

1 Introduction

- 1.1. Audit Committee are provided with regular reports on actions taken to address outstanding high priority recommendations made by both Internal and External Audit.
- 1.2. There are four categories of recommendation priority: critical, significant, moderate, and minor. This report provides the details of progress to address outstanding recommendations in the high risk (critical and significant) categories and an update on proposed next steps. This report focuses solely on Internal Audit recommendations, as there are currently no high priority External Audit recommendations currently outstanding.

2 Background

- 2.1 Internal Audit usually follows up management actions on high-risk recommendations at least quarterly to obtain assurance that progress is being made to address risk. Management is required to provide demonstrable evidence to show that agreed actions have been implemented. Internal Audit considers this evidence and may choose to re-test systems and controls on a risk basis to provide assurance that agreed improvement actions have been implemented and are operating effectively.
- 2.2 Where a limited or no assurance opinion is issued, a full follow up audit is undertaken after 6-12 months to test whether agreed areas for improvement have been addressed.
- 2.3 In addition to recommendations agreed as part of our planned assurance reviews, we have now formalised our approach to capturing and tracking recommendations made through audit investigations. From July, as part of our continuous improvement regime, in specific circumstances where we find systemic control weaknesses or gaps, we will produce an action plan for management, identify action owners and agree implementation dates. Critical and significant recommendations will be monitored via the existing processes.
- 2.4 Where system related issues are found, we may include them in standard recommendation reporting to Committee but that may not be appropriate in all cases, for example, if the recommendation relates to actions needed to be taken to reduce the risks of fraud or theft where publishing to the public at large would present an increased likelihood of crime. For completeness we will continue to report progress on all counter-fraud related audit activity to the Committee through the Counter Fraud Annual report.
- 2.5 Progress made in the implementation of agreed actions is reported quarterly to Directorate Leadership Teams (DLTs), Strategic Management Team (SMT) and Audit Committee. Executive Members are notified of high priority recommendations reaching six months overdue. At nine months overdue, Strategic Directors are required to attend Audit Committee with the relevant Executive Member to explain the position and progress to either address or accept the reported risks.

- 2.6 In accordance with Audit Committee expectations, the risk relating to recommendations that are not fully implemented will not be written back to Strategic Directors when they are over 18 months past the agreed implementation date. Directors will continue to attend this Committee to outline the reasons for delay and mitigating actions that they consider have reduced risk exposure to a tolerable level.

3 Current Implementation Position Update

- 3.1 The position in terms of high priority internal audit recommendations implemented this quarter are summarised below and in detail at Appendix 1. Overdue recommendations are detailed in Appendices 2,3 and 4.
- 3.2 Recommendations for improving the control environment within schools are monitored by Internal Audit however these are not included within this report for the following reasons. In July 2022 we provided the Committee with a report detailing audit work within schools and a summary of recommendations made and their status. We have started to revisit schools that have outstanding and partially outstanding recommendations from financial health checks and this work will progress through October to December. We will provide a further progress update at the January 2023 meeting and will report further updates on the implementation of recommendations made in school reports every six months.
- 3.3 At a previous meeting, Members were provided with an update on recommendations made with regards to Housing Operations - Void and Empty Properties audit. We have scheduled a formal follow up review of this area with the client, to consolidate the position regards the implementation of all agreed recommendations. This will be reported to committee in the January 2023 update.

Outstanding Recommendations – over 12 months

- 3.4 Two recommendations were reported to Audit Committee in July 2022 as being partially implemented and over 12 months overdue. We have closed one of these in relation to Adults Transitions based on evidence and emails provided and can confirm that performance management in this area is now part of directorate leadership reporting arrangements. Therefore, one recommendation remains in the category outlined below.

Directorate	Audit Title	Due Date	Months	Status
Adults	Mental Health Casework	30/9/19	34	Partially implemented

- 3.5 Our latest update from management confirmed that there is now a Greater Manchester Mental Health Trust (GMMHT) safeguarding process set up on Liquid Logic and this went live on 5 September 2022. Whilst this represents

further progress it is accepted by management that GMMHT staff do not yet have system access to start operationally using the process.

- 3.6 A total of 22 GMMHT administrative staff have been identified to access Liquid Logic and require training. Two staff in each team will then be able to provide the minimum coverage to both input the safeguarding outcomes and have another sign it off for quality assurance purposes. These 22 staff have been provided with access to the Council network and Liquid Logic system. Three dates in October have been arranged for these staff to receive Liquid Logic training following which they will be able to access the system and begin to input information around mental health casework activity.
- 3.7 This is further progress since our last report but until the training is completed and the processes of updating records can be assured Internal Audit will continue to consider this recommendation to be partially implemented.

Significant / Critical Overdue Recommendations – 6 to 12 months

- 3.8 There are two recommendations that have been overdue for between six and twelve months, both are partially implemented and relate to the same audit review - Placement Finding: Review of Core Processes.
- 3.9 Through follow up work earlier in 2022 we confirmed a number of improvements were made following our initial audit. This included the introduction of steering group meetings attended by finance and commissioning colleagues to review outstanding payments/placements, weekly catch ups between commissioning and finance managers to identify and resolve data discrepancies within systems and use of a 'conversation tool' within the payments system to allow issues with provider invoices to be resolved more. To facilitate the additional work required, the service also introduced a dedicated post for tracking internal foster carer payments and to provide support to social workers to ensure placements are processed correctly and in a timely manner.
- 3.10 The service acknowledges that some errors or issues can slip through and whilst management information is currently used to track placement ends for over 18s, checks to ensure payments are not being made to multiple carers for a single child as recommended in the audit have not yet been developed. Further work is needed to determine how the use of system data can be used to identify such cases and Internal Audit recognise that this is complex to achieve. There is an acknowledgement from the service that finance input continues to be required and we support the continuation of this resource to reduce the risk of slippage or loss of momentum in identifying and resolving payment issues.
- 3.11 An audit of foster care overpayments is currently underway, and we will use the results of the audit testing undertaken to confirm the impact of progress made. This work seeks to quantify the extent of the risks of duplicate payments with a view to identifying the root cause and exploration of any options as appropriate for addressing risks. We will report on the outcome of this work during quarter

three and as a result have not asked the Director and Executive Member to attend Audit Committee at this stage to provide an update on planned actions. If issues of concern remain or recommendations remain classified as outstanding following this audit, then then they will be asked to attend and update the Audit Committee on proposed actions.

Significant / Critical Overdue Recommendations – 1 to 6 months

- 3.12 There are two recommendations that are classified as overdue, relating to an audit review of the Use of Waivers and Extensions within Council contracts. Both are classified as being partially implemented and require further work to be closed as being fully implemented. We are following up actions in relation to Avro Hollows Tenant Management Organisation, as one recommendation is now overdue, as is a recommendation made in our review of Technology Enabled Care. More detail is given in Appendix 4 below.

Not Yet Due

- 3.13 A total of 16 recommendations rated significant / critical are not yet overdue, these will be tracked through to implementation. All have been agreed as part of audit work and reports finalised in the period April 2022 to September 2022.

4 Recommendation

- 4.1 Audit Committee is requested to note the current process, the inclusion of recommendations via investigation work, and position in respect of high priority Internal Audit recommendations.

Appendix 1 – Implemented Recommendations

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Highways Compensation Events Review	31 March 2022	<p>The further development of quality assurance processes by the Highways PMO should continue and consider other means of gaining assurance and confidence over the management of CEs to facilitate the removal of the need for contract variation reports and approval of the DCECT. This could include the introduction of regular sample review checking of CEs to provide assurance over the operation of controls, compliance with the NEC contract and Council processes, greater scrutiny where the CE is because of a design flaw on our part.</p> <p>This should also consider the introduction of reporting on CEs. This could provide analysis over CEs to inform future learning. This could include:</p> <ul style="list-style-type: none"> -number of CEs per project grouped per clause. -rejected CEs and defects. -degree of compliance with key contractual timescales. 	<p>Reporting is in place and will be issued to senior officers monthly. There is also a Highways Authorisation Matrix which has been shared with staff which details the CE approval process. All full-time staff have received NEC training with PMs and Commercial staff ECC accredited.</p> <p>The reporting of CEs monthly, in line with the approach agreed with the Commercial Board, will commence alongside further contract report approvals.</p> <p>CEs will continue to be reported through project governance structures and approved at Director level depending on value and impact.</p>	<p>The remaining outstanding element of this recommendation has now been completed.</p> <p>We confirmed work has been undertaken by the service to develop spot checks which are now operational.</p> <p>We were provided with the latest report which detailed the findings of spot checks.</p> <p>We understand this process will be repeated each quarter to provide ongoing assurance in this area.</p>	No further action required

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Transitions to Adult Services 15 Feb 2018	30 June 2018	<p>To support day to day performance management the Interim Deputy Director of Adults Social Services should introduce a suite of Key Performance Indicators. This should be defined once the strategy and vision in place.</p> <p>A long-term solution should be considered and built into Liquid Logic to help identify performance trends and provide assurance to senior management.</p>	Recommendation agreed - key performance Indicators (KPIs) to be introduced.	<p>We have confirmed that the transitions recommendation in relation to performance indicators is implemented.</p> <p>We have seen evidence of a performance indicator on the strategic Adult's Better Lives Better Outcomes report regarding the number of care act assessments overdue in relation specifically to the transitions team, with further performance measures being developed, once the referral portal is finalised, user tested and implemented.</p> <p>Onward performance reporting will also include referral numbers, timeliness of (ages at) referral and timeliness of allocation. This is estimated to be operational end of October/early November with monthly reporting.</p> <p>Despite being classified as implemented, Internal Audit will still request an update on this further reporting suite for assurance purposes in December 2022.</p>	No further action required
Adults Management Oversight and Supervisions	30 August 2022	The Principal Social Worker should ensure that the guidance document is renamed as a Supervisions policy.	The guidance document has now been renamed as a Policy.	The document has now been updated from guidance to a supervisions policy therefore the recommendation is implemented.	No further action required

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Adults Management Oversight and Supervisions	30 August 2022	<p>The Principal Social Worker should review the requirements for case discussions recording in supervisions to ensure there is clarity over the recording requirements for both the supervision document and liquid logic.</p> <p>Consideration should be given to including minimum expectations for what should be included in the supervision record in the supervision policy. We recommend that the minimum requirement is a short summary of the discussion for each citizen along with details of any agreed actions and any performance challenge. The document should also show follow up of any key actions agreed at previous supervisions. Key actions relevant to the case but not relating to social worker performance could also be added to Liquidlogic to demonstrate management oversight and involvement in that particular case.</p>	<p>Policy has been updated to read as follows:</p> <ul style="list-style-type: none"> • Use the supervision template within this policy to record a summary of your case discussions and actions. • Ensure where there is case discussion that citizen's liquid logic ID number is record on supervision records. <p>Use your professional judgement in recording any key decisions and actions relating to specific cases in the citizen's case notes</p>	We have confirmed that the policy has been updated in line with the management response to bring greater clarity over documentation requirements for casework discussions, therefore we can conclude that this recommendation has been fully implemented.	No further action required
Housing Operations (Northwards) - Governance	31/7/22	The committee should own and maintain a risk register for the housing operations service, scoring risks on a RAG basis, allocating ownership, identifying mitigating actions and demonstrating active management of those actions.	Accepted and in development.	Fully Implemented. We have seen the board documentation which confirms the ownership and maintenance of the service risk register, with the first in depth discussion scheduled for November's Housing Advisory Board. The service's risk register forms part of the Council's overall risk management and corporate governance. Draft risk register	No further action required

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Housing Operations (Northwards) - Governance	31/7/22	The service should ensure that a full and comprehensive approach to performance and data is developed that links to consumer regulations and the white paper. Options could include an action plan with assigned owners and timescales or task and finish groups.	Accepted	seen. Fully implemented. The terms of reference set out the board's clear role in overseeing performance. The board will consider the service's performance as well as the newly published Tenancy Satisfaction Measures (forming part of the consumer regulations)	No further action required

Appendix 2 – Recommendations Over 12 Months Overdue

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Mental Health Casework Compliance	30 Sept 2019	The Director of Adult Services should ensure that a formal process is agreed and established with the Trust for a monthly reconciliation between safeguarding referrals sent and received. Trust and Council staff should work together to ensure that the new case management systems in each organisation – Paris and Liquid Logic, respectively – consistently record outcomes of safeguarding referrals, so that these can more easily be transferred across systems to ensure completeness of Council records and ability to monitor outcomes.	It is accepted that safeguarding outcomes need to be recorded in MiCare (Liquid Logic in future). Quality and Performance group will consider options to ensure this can be done efficiently and effectively.	<p>Our latest update from the business confirmed that there is now a GMMHT safeguarding process set up on Liquid Logic and this went live on 5 September although GMMH staff do not yet have system access to start operationally using the process.</p> <p>22 GMMH staff have been identified to access Liquid Logic training with two members of staff per team. These staff will then be able to provide the minimum coverage across the teams to input the safeguarding outcomes and have another person sign it off for quality assurance purposes. These 22 staff have been given user name and passwords to the Council systems, with 12 having logged onto their partner network account to access the systems. Management are following up with GMMHT to ensure all these staff confirm their system access in readiness for liquid logic training.</p> <p>Management confirmed that three dates in October 2022 have been arranged for GMMHT staff to receive Liquid Logic training following which they will be able to access the system and begin to input information around mental health casework activity.</p> <p>Internal Audit Opinion: Partially Implemented</p>	<p>Director: Bernadette Enright, Executive Director of Adult Social Services</p> <p>Executive Member: Councillor Robinson</p> <p>Status: 34 months overdue</p> <p>Action: Internal Audit to continue to track progress over the completion of Liquid Logic training and the start of data entry to liquid logic by GMMHT staff with progress to be reported verbally in October and in the next formal update to the January 2023 Audit Committee.</p>

Appendix 3 – Recommendations between 6 and 12 Months Overdue

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Placement Finding: Review of Core Processes	30 Sept 2021	<p>The Commissioning Service Manager with the support of officers from finance should determine how management information and reports can be used to more promptly to identify and act on:</p> <ul style="list-style-type: none"> -outstanding unpaid invoices which require resolving; -unbilled care received; -instances where payments are being made to multiple carers for a single child. -Other overpayments to carers/providers. <p>This should then be produced regularly and shared with relevant officers to allow for these cases to be addressed. Work should also be undertaken with providers to ensure they are billing correctly to facilitate payment i.e., one invoice per child and this should include all costs related to the placement (accommodation plus any support costs).</p>	<p>This is a complex area and one that also requires the input from finance officers and practitioners linked to the practice of placing children with care givers. CPT and CC do not always know when such issues arise particularly if they are internal foster carers.</p> <p>The Controcc system requires a high level of expertise which we do not have in the service, particularly to run reports which are accurate. This aspect is also a resource and capacity issue, and discussions are on-going with senior leaders regarding this aspect.</p>	<p>This recommendation remains outstanding in part. An audit review is currently in progress to provide assurance over arrangements in place to prevent foster care overpayments which will help to inform the status of this recommendation.</p> <p>The approach to this work includes the use of data analysis software to review a data set of foster care payments to identify possible duplicate payments. Higher value duplicates are then being reviewed to establish root cause, identify any systemic weaknesses and potential ways to improve controls to prevent reoccurrence. The results of the audit will be shared in quarter three.</p> <p>Internal Audit opinion: Partially implemented.</p>	<p>Director: Paul Marshall, Strategic Director of Children’s Services</p> <p>Executive Member: Councillor Bridges</p> <p>Status: 12 months overdue</p> <p>Action: The findings from the Foster Care Overpayments audit currently in progress will be used to inform subsequent action.</p> <p>If not addressed, then Director and Executive Member to attend Committee</p>
Placement Finding: Review of Core Processes	30 Nov 2021	<p>The Commissioning Service Manager in conjunction with Social Work Managers should consider current placement closedown processes and how the risk of payments to more than one carer for the same child and period could be identified in</p>	<p>As acknowledged this aspect is wider than CPT, the responsibility for entering the details of placements and closing placements are the tasks for social workers. CPT and CC do not routinely know when SGO’s are granted, or</p>	<p>This recommendation remains outstanding in part. An audit review is currently in progress to provide assurance over arrangements in place to prevent foster care overpayments which will</p>	<p>Director: Paul Marshall, Strategic Director of Children’s Services</p> <p>Executive Member: Councillor Bridges</p> <p>Status: 10 months overdue</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		<p>advance to prevent significant repeated overpayments. This should include ceased arrangements and transfers in internal foster carers; Special Guardianship Orders, extra allowances, and other costs. Once the correct process is determined this should be reflected in the Fostering, Post 16 and Residential workflow diagrams which have been produced recently.</p>	<p>children move internally if this is agreed within the duty service for fostering. Meetings have taken place with HOS, LS, finance, and LL lead regarding this matter and there is not a resolution in the system which would allow more control in the fostering service. The practice continues and the issues become compounded if children are in multiple short-term placements. We are implementing weekly check ins for all children moving in and out of the service to try to get ahead of the payment issues. However, further work is needed from across CSC localities to support this aspect.</p>	<p>help to inform the status of this recommendation.</p> <p>The approach to this work includes the use of data analysis software to review a data set of foster care payments to identify possible duplicate payments. Higher value duplicates are then being reviewed to establish root cause, identify any systemic weaknesses and potential ways to improve controls to prevent reoccurrence. The results of the audit will be shared in quarter three.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Action: The findings from the Foster Care Overpayments audit currently in progress will be used to inform subsequent action.</p> <p>If not addressed, then Director and Executive Member to attend Committee</p>

Appendix 4 – Recommendations between 1 and 6 Months Overdue

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Use of Waivers and Extensions	31 May 2022	<p>The ICP Team should develop a formal system for the process of submitting and approving waiver and contract requests. This should include a mandatory control for all waivers over £50k to be submitted to the Deputy Chief Executive and City Treasurer by ICP, to provide assurance of their agreement.</p> <p>Consideration should be made to integrating the Teams Approvals function into the system to support more unambiguous authorisations and a self-contained audit trail.</p>	<p>The ICP Team are currently exploring options including Teams functionality to support with this. The team are also looking to procure a new contract management system with functionality that will support management of approvals. In the immediate term, the team has already amended the waiver template form to explicitly confirm that ICP Management have been consulted beforehand. We will confirm with directorates that waivers and extensions, along with contract award reports more generally must go through the ICP Team.</p>	<p>We understand system options in teams and SharePoint were explored and not found to be suitable. As such, functionality to submit waivers was specified within the tender for the new contract management system which is currently being progressed. As such, this recommendation remains outstanding in part.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Carol Culley, Deputy Chief Executive and City Treasurer</p> <p>Executive Member: Councillor Akbar</p> <p>Status: Four months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>
Use of Waivers and Extensions	31 May 2022	<p>The ICP team should work with Legal Services to simplify the Constitutional wording around contract authorisations. Wording around delegated authority should be explicit and unambiguous, with clear definitions of authorised officers.</p> <p>This should be reflected in procurement guidance and disseminated to commissioning and authorising officers. We advise that ICP take their observations regarding waivers/direct award and delegated authorities to the Commercial Board for discussion.</p>	<p>Agree, subject to Constitutional amendments being confirmed. The ICP Team are currently working with Legal Services and directorates to develop proposed revisions for the Constitution</p>	<p>We were informed in a recent update that Officers have drafted new contract rules for the Constitution, including on waivers. Contracts Leads and the Commercial Board were engaged in the drafting. The draft is now with Legal who will present the updated draft to full Council. This recommendation therefore remains partially implemented.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Carol Culley, Deputy Chief Executive and City Treasurer</p> <p>Executive Member: Councillor Akbar</p> <p>Status: Four months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Housing Operations - Governance	31/7/22	<p>The Director of Housing Operations should ensure that the following are added into the governance documentation: Person Specification, Role profile / tasks, Required / desired skills, Membership renewal strategy, Programme of training, Equality, diversity and inclusion statement / policy, Committee member conflict of interest statements, Clarification of how the committee will appoint a chair in the Executive Member's absence, Clear plan to support continuous improvement of the committee, Outline of decision-making arrangements. We also recommend the following: The proposed two-year maximum term for tenant committee membership is extended. The numbers of tenants and members are equal.</p>	Recommendation is agreed.	<p>Role profile created and terms of reference in place (evidence provided). Membership term of Housing Advisory Board set out in Terms of Reference as a minimum of two years, which was amended following the audit.</p> <p>Learning and Development offer for all members, some of which safeguarding, cyber security are mandatory. More detailed L&D and continuous development under discussion subject to individual needs and areas of interest (e.g. Health and Safety, Finance, Communications) Equality, Diversity and Inclusion responsibilities set out in role profile and terms of reference</p> <p>The numbers of residents on the Housing Advisory Board equal the number of councillors (5) except for the agreed Chair, the Executive Member for housing and Growth. There are also 3 co-opted non-resident members.</p> <p>Most of the required documentation is now in place, we are just awaiting confirmation of the continuous improvement of the committee and the membership renewal strategy.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Neil Fairlamb Strategic Director Neighbourhoods</p> <p>Executive Member: Councillor White</p> <p>Status: Two months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Housing Operations - Governance	31/7/22	Reporting requirements and routes should be defined in the committee ToR. We would expect this to include annual reporting, monitoring of KPIs, regular reporting against equality, diversity and inclusion priorities and objectives, reporting on the declaration of interests register, tenant's annual scrutiny review of the service.	Recommendation agreed.	<p>The Terms of Reference set out the responsibilities and remit of the Board. A declaration of interests' register is in place and has been signed by all parties. This will be reviewed annually. The role of the board is to scrutinise the service, primarily from residents' perspective, an annual report is being produced for late Autumn 2022 where the HAB will have a vital role in overseeing and shaping the content.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Neil Fairlamb Strategic Director Neighbourhoods</p> <p>Executive Member: Councillor White</p> <p>Status: Two months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>
Technology Enabled Care	30/6/22	Reports should be run periodically to identify which service users have not tested their equipment within the period. Staff should contact them to both test equipment and to remind/advise customers of the monthly test requirement to ensure equipment is functioning correctly	The recommendation is agreed. Work is ongoing with the primary supplier to automate testing where manual testing has not been carried out. Once implemented, the risk will be mitigated.	<p>A process to identify and address where testing has not taken place has been documented and reports have been produced identifying where customer testing has not been initiated. The service is in the process of sourcing a business support officer to undertake the required actions to address. They have been unable to recruit a suitable candidate and are short on resource. When this is rectified, they will be able to complete this action.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Bernadette Enright, Executive Director Adult Social Services</p> <p>Executive Member: Councillor Robinson</p> <p>Status: Three months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Avro Hollows Tenants Management Organisation	30 June 2022	<p>We found that the formal recording of repair requests was managed through a spreadsheet. However, requests were only added to the spreadsheet at the point that they were approved for referral to the external repairs' contractor.</p> <p>The AHTMO Manager informed us that there was no structured record of repair requests that were refused, and that minor repairs passed to the handyman were only recorded in carbonated job request books. Jobs referred to Housing Operations (previously Northwards) were also not recorded.</p>	Agreed - The Head of Housing Services should seek assurance from the AHTMO Manager over the recording and management of requests for repair at the point of receipt.	<p>The Head of Audit and Risk Management has written to Strategic Housing and the chair of AHTMO in respect of risks and concerns identified through audit and other work. The follow up of this recommendation is part of that wider letter of concerns.</p> <p>Internal Audit opinion: Not implemented</p>	<p>Director: Becca Heron, Strategic Director of Development</p> <p>Lead Officer: Martin Oldfield, Head of Housing Services</p> <p>Executive Member: Councillor White</p> <p>Status: Three months overdue</p> <p>Action: Awaiting a response from AHTMO Chair and Head of Housing. This is an area of active follow up by the Head of Audit and Risk Management.</p>