

## **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.

<b>Reference in Appendix</b>	<b>Audit Title</b>
A	Privacy Notices
B	Divine Mercy – Financial Health Check
C	Asset Management Plan
D	Local Investment Fund

**Internal Audit Report 2021/22**  
**Corporate Core Directorate**  
**UK GDPR Privacy Notices**

**Distribution - This report is confidential for the following recipients**

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Fiona Ledden	City Solicitor and Senior Information Risk Owner, Accountable Officer
Poornima Karkera	Head of Governance
Councillor Craig	Executive Member and Leader of the Council
Joanne Roney	Chief Executive
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Draft Report Issued	3 May 2022
Final Report Issued	18 May 2022

## Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance over the provision of privacy information to data subjects.	Reasonable	Medium

Sub objectives that contribute to overall opinion	Assurance
Roles, responsibilities, and expectations are clearly defined and understood.	Reasonable
Privacy templates and guidance are available to all Council departments.	Substantial
Current privacy notice content meets legal requirements.	Substantial
Systems and processes are in place to assess and review privacy notices.	Reasonable
Privacy notices are accessible and given to individuals at the correct time.	Limited

Key Actions	Risk	Priority	Planned Action Date
Ensure all relevant privacy notices are tailored to individual user groups.	Significant	6 months	31 Oct 22
Ensure service specific privacy notices are communicated to individuals at the correct time.	Significant	6 months	31 Oct 22

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 Data Protection Act (2018) and the UK General Data Protection Regulation (UK GDPR) sets out in UK law the legal framework with which all organisations must comply when they process personal data. These include a requirement to provide accessible information to individuals about the use of their personal information (data), and that this should be set out in a privacy notice.
- 1.2. Provision of this key information to individuals at the right time is a key element of their legal right to transparency, and non-compliance could expose the Council to a substantial fine and lead to reputational damage. This area has not previously been audited, therefore we agreed to provide assurance over legal compliance and best practice. The impact to the Council has been assessed by Internal Audit as Medium.

## 2. Conclusion and Opinion

- 2.1. We are able to provide a **reasonable** opinion over the provision of privacy information to data subjects.
- 2.2. A privacy notice covering the Council's general data processing activities as well as a number of service specific privacy notices were available on the internet and these were consistent, centrally held and complied with legal requirements. Systematic reviews of privacy notices were undertaken involving Democratic Services Legal Team and those across the Council with information governance roles.
- 2.3. However, there were some areas for improvement in the communication of this privacy information to stakeholders, with specific privacy notices not always being provided at the correct time and information not tailored to be understood by audiences with particular needs e.g. children. Directorate Senior Information Risk Owners (DSIROs) also did not have a formal assurance mechanism for assessing whether all relevant processing activity was covered by an existing privacy notice.
- 2.4. It is important to note that everyone who processes personal information is responsible for privacy and each service area is responsible for ensuring that the relevant privacy notices are drafted, published, reviewed and communicated to stakeholders at the correct time. We were assured that the corporate arrangements to support service areas in this respect were appropriate, and the issues we identified will require engagement with business leads to address. We consider that the Data Protection Officer is best placed to co-ordinate this activity and obtain the requisite assurance over its completion, and so our recommendations are directed to him as Lead Officer in the first instance but recognise this is likely to also require action and support from members of the Corporate Information Assurance and Risk Group (CIARG), DSIROs, the Democratic Services Legal team and service leads.

- 2.5. We have made three recommendations (two significant, one moderate) to improve the privacy notice process. These are detailed in the action plan.

### **3. Summary of Findings**

#### **Key Areas of Strength and Positive Compliance**

- 3.1. Information governance roles were in place including data governance leads and DSIROs feeding into a monthly CIARG and Information Governance Steering Group.
- 3.2. The Council has a corporate privacy notice covering its general data processing activities as well as a number of privacy notices for service areas. Privacy notices are easily accessible on the Council's website and there are links to the Council's privacy information and general privacy notice within a banner at the bottom of the website and at the bottom of all external emails.
- 3.3. Completion and retention of privacy notices is managed through a consistent approach co-ordinated by the Democratic Services Legal Team, who had developed clear guidance and templates to support staff. These were available through the intranet. As part of the team's role, they also worked with DSIROs and service leads to draft and review privacy notices. All DSIROs and service leads we spoke to were aware of the guidance and had consulted with Democratic Services Legal Team.
- 3.4. Recent mandatory cyber security training for all Council staff specifically highlighted the role and importance of privacy notices, and privacy information was included in the '12 golden rules of protecting information and GDPR' which had previously been the subject of targeted communication to all staff.
- 3.5. A sample of 14 privacy notices (the general Council notice and 13 service specific notices) that we reviewed all contained the required legal information.
- 3.6. In line with the Information Commission Officer's (ICO) guidance, the information was regularly and systematically reviewed to ensure notices remain accurate and up to date, and complaints from the public were analysed and used to inform service improvements.
- 3.7. There were several means of capturing and communicating privacy information from and to service areas, including initial project advice and discussions, general golden rules, Information Governance communications to all staff, analysis of complaints and data protection impact assessments (DPIAs).

#### **Key Areas for Development**

- 3.8. Whilst there was a systematic review process in place for privacy notices already created, no specific exercise had been carried out to match service area data processing to available privacy information, to establish whether all

required privacy notices have been produced. While this was not within the scope of our work, we noted that the Council's Information Asset Register (IAR) had not recently been reviewed, which could otherwise provide a useful basis for this matching exercise. We have been advised by the Information Governance Lead that work to refresh the IAR is underway with a revised approach for improvement due by the end July 2022.

- 3.9. We found one instance of data processing (Insurance and Claims) that was not covered by the service area privacy notice as advised by Democratic Services Legal Team. The relevant service lead and DSIRO have agreed to develop content to address this omission.
- 3.10. All the privacy notices we reviewed followed standard wording as reflected in the template documentation, but none were tailored to specific users. ICO guidance states that privacy information should be tailored to specific audiences in instances where the intended audience has been identified as unlikely to understand the standard information given. Whilst tailored notices would not be expected in the majority of cases, we did not identify any tailored privacy information in the instances we might have expected, for example for the Youth Offending Service and within Children's Services.
- 3.11. We sampled 13 services where data was collected from residents / businesses. At the point of data collection only two of these provided individuals with the service specific privacy information (ICO guidance states that links should direct users straight to service specific privacy notices). The majority provided links to the Council's general privacy notice or terms and disclaimers. Four did not give out any privacy notice information at the time of data collection.
- 3.12. Some updates to privacy notices that have been identified as being required have yet to be completed. The majority of these are minor updates to notices in Children's Services and Adult Social Care, which the DSIRO had identified as required, and was addressing at the time of our work



**Internal Audit Report 2021/22  
Children's and Education Services  
Financial Health Check (The Divine Mercy RC Primary School)**

**Distribution - This report is confidential for the following recipients**

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Glyn Young	Chair of Governors
Jane Tonge	School Business Manager

**The final report will also be issued to the following recipients**

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Updated Draft Report Issued	17 May 2022
Final Report Issued	27 June 2022



**Executive Summary**

<b>Audit Objective</b>	<b>Assurance Opinion</b>	<b>Business Impact</b>
To provide assurance to the Governing Body and the Local Authority over the adequacy, application and effectiveness of financial control systems operating at your school.	Limited	Medium

<b>Sub objectives that contribute to overall opinion</b>	<b>Assurance</b>
Allocation of financial roles and responsibilities.	Substantial
Long term financial planning, budget approval and monitoring and recovery planning.	Reasonable
Key financial reconciliations.	Reasonable
Expenditure, specifically purchasing and payroll.	Limited
Income collection and recording.	Substantial

<b>Key Actions (Appendix 1)</b>	<b>Risk</b>	<b>Priority</b>	<b>Planned Action Date</b>
Quotations should be obtained and where necessary a tendering exercise completed for all transactions over £2000.	Significant	6 months	
Official school purchase orders should be raised on Financial Management System (FMS) and should be signed by an authorised signatory in advance of the purchase being made with the supplier.	Significant	6 months	
All debit card purchases should be approved in advance and individual transaction limits should not be exceeded unless there is an emergency or appropriate approval is sought in advance. In addition, there is only one card at the school in the following name "Divine Mercy RC PR - Ms Suzanna Novak". However, the school have two members of staff who use the school card, not Ms Novak. The card should only be used by the named card holder or in this instance given the school is	Significant	6 months	





the named card holder we consider it should be an authorised signatory on the school bank account.			
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<b>Assurance Impact on Key Systems of Governance, Risk and Control</b>		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty



## 1. Audit Summary

- 1.1. The 2021/22 Internal Audit plan included an allocation of time to complete financial health checks at a sample of Local Authority maintained schools. The Divine Mercy RC Primary School was selected as part of this programme of audits, due to elapsed time since the last audit review. This review was completed partly office based and a day on site in the school, due to Covid19.

## 2. Conclusion and Opinion

- 2.1. We are only able to provide **Limited** assurance over the adequacy, application and effectiveness of financial control systems operating at the school. This opinion is based on our findings and the need for improvement in controls over purchasing, including the use of quotation and tenders for purchases exceeding £2000, ensuring all purchases are approved in advance of the commitment being made, that debit card purchases do not exceed the purchase limits and the debit card is only used by the named card holder.
- 2.2. We also identified scope for improvement around documenting controls, such as dating the bank reconciliations and payroll requisitions to demonstrate timely review and minuting budget discussions at Governing Body. More detail is provided on these issues with significant and moderate risk recommendations in Appendix 1.

## 3. Summary of Findings

### Key Areas of Strength and Positive Compliance

- 3.1. The School Development Plan (SDP) covers a 3-year period and provides clear links in the action plan to the relevant budget implications.
- 3.2. The budget and budget assumptions were submitted to the Local Authority by the deadline, and these show a surplus budget.
- 3.3. Detailed monthly budget monitoring reports are provided to management.
- 3.4. A review of spend by supplier report is presented to Governors annually, which provides oversight and the opportunity to challenge any high value cumulative spend with individual suppliers.
- 3.5. Due to COVID related delays in the post arriving, management printed bank statements weekly and reconciled them to ensure timely bank reconciliations continued.
- 3.6. Starters and leavers are processed in a timely fashion. Payroll reports and reconciliations are retained along with supporting evidence to support any changes to payroll.



- 3.7. We were satisfied with control of cash. Cash is held in the safe with the exception of the float in the office till, and the safe insurance limit is sufficient to cover the amount of cash collected. There was a clear and auditable trail for all the cash that we tested, and we were able to track it from entering the office to being banked and showing on the bank statements.

### **Key Areas for Development**

- 3.8. We have made three significant and five moderate recommendations in total to help improve the key financial controls across the school. The significant risk recommendations relate to the following issues:
- For all purchases over £2,000 (except where a legitimate exemption applies) three quotations should be obtained or an appropriate tendering exercise completed depending on value. This is to demonstrate that value for money has been achieved.
  - Purchasing controls should be improved to ensure compliance with the School's Financial Regulations and the Scheme of Financial Delegation for all purchases. Purchases must be approved in advance of the spending commitment with the supplier. All suppliers should be paid within 30 days unless there is a dispute with regards to the order.
  - Arrangements for use of the school debit card should be improved to ensure timely approval to ensure that appropriate records are retained to support each purchase and to ensure that the cards are only used by authorised bank signatories.

<b>Internal Audit Report 2021/22</b> <b>Core – Estates Services</b> <b>Asset Management Plan Management (Neighbourhoods)</b>
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<b>Distribution - This report is confidential for the following recipients</b>
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Neil Fairlamb	Strategic Director of Neighbourhoods

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Draft Report Issued	13 June 2022
Final Report Issued	30 June 2022



**Executive Summary**

<b>Audit Objective</b>	<b>Assurance Opinion</b>	<b>Business Impact</b>
To provide assurance over the arrangements in place to ensure the effective selection and management of projects on the Asset Management Plan.	Reasonable	Medium

<b>Sub objectives that contribute to overall opinion</b>	<b>Assurance</b>
There is a clear strategy for the selection and prioritisation of asset management projects.	Reasonable
Appropriate governance arrangements exist to monitor delivery of projects.	Reasonable
Reporting of programme delivery is sufficient and is used to inform decision making.	Reasonable

<b>Key Actions (Appendix 1)</b>	<b>Risk</b>	<b>Priority</b>	<b>Planned Action Date</b>
Improved recording of the decision making process to support the selection and prioritisation of schemes onto the Asset Management Plan.	Significant	6 Months	November 2022

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



## 1. Audit Summary

- 1.1 The Asset Management Plan (AMP) provides a survey based, prioritised programme for capital replacement works and asset improvements to ensure the offices, depots, leisure, cultural and other properties providing services and facilities to the public, continue to meet statutory and service requirements, deliver long term value and support a well-run Council.
- 1.2 We agreed to undertake this work as a clear approach to the prioritisation of areas for inclusion on the AMP helps reduce the risk that Council assets are not maintained sufficiently and guards against future financial, safety and reputational consequences. This audit focused on those elements of the Council estate falling under the Neighbourhoods Directorate.

## 2. Conclusion and Opinion

- 2.1 Overall, we are able to provide **reasonable** assurance over the arrangements in place to ensure the effective selection and management of projects on the AMP.
- 2.2 The strategic priorities of the AMP were clear although the rationale over how the inclusion of individual schemes is decided could be better evidenced. We support recent developments which included the production of a longer-term investment plan and the introduction of a contingency element within the budget. We consider the governance arrangements surrounding the use of this contingency could be strengthened to better track its use and provide a consistent way in which the allocation and approval of contingency funding can be recorded.
- 2.3 Our sample testing across 15 AMP schemes in the Neighbourhoods Directorate identified that many schemes are complex in nature and often straddle multiple years. The importance of cross team and service collaboration was evident in the planning and management of schemes and a recognition of the need to work closely with the Carbon Reduction team to meet Council priorities. Further to this, the AMP Steering Group met regularly to monitor the delivery of schemes and agree actions where needed. There may be opportunities to streamline governance between this group and other stakeholder and decision making groups and have made a recommendation to this effect.
- 2.4 Reporting related to the AMP could be enhanced to improve overall visibility on a directorate basis. This may help reduce the need for follow-up questions and enquiries as to progress on schemes. We also consider there would be benefits from additional reporting and monitoring activity in respect of key risks to provide assurance that mitigations continue to be effective for any risks identified.



### 3. Summary of Findings

#### Key Areas of Strength and Positive Compliance

- 3.1 The AMP for 2021/2022 was presented to the Estates Board for approval in January 2021. From a review of the accompanying report, it was clear that the high level plan sought to focus on addressing the most urgent priorities as determined by the stock condition survey whilst recognising there would be additional liabilities outside of the survey data that will arise in the next 5 years.
- 3.2 We agreed with an area of development already identified by key officers to develop a longer term investment programme for the AMP. In our opinion this should help to better plan, coordinate and manage the AMP to meet strategic and service priorities; and highlight long-term investment risks. Work had culminated in the production of a five year investment programme to address the current backlog maintenance liability across the estate resulting from years of austerity, a lack of resources and limited understanding of the condition of properties. Although this was presented to the Strategic Capital Board in June 2021, we consider it appropriate for the Estates Board to have a more active role in the approval of the AMP in future years. Given the importance of the AMP in maintaining our assets, ensuring compliance with safety and other standards and the challenges associated with addressing the backlog of works within finite financial resources, we consider an increased level of strategic oversight is appropriate.
- 3.3 The AMP Steering Group, the principal group discharged with the ongoing monitoring of delivery of the AMP, was well attended by officers from a range of relevant service areas. From a review of minutes, we were satisfied the group met regularly, meetings followed a structured agenda and minutes of discussions and key areas for action were documented.
- 3.4 Our review confirmed that cross service collaboration in terms of the delivery of the AMP was evident. There was evidence of communication between key services and stakeholders, such as capital programmes and facilities management regarding planned and current works.
- 3.5 Sample testing confirmed the widespread use of project briefs to instruct colleagues within Capital Programmes and Procurement to undertake works. This provided key details including a description of the required works, the funding source, estimated cost and anticipated year of spend. The project brief for the schemes reviewed were appropriately signed by the Technical Officer or Property Asset Manager.
- 3.6 Monthly dashboard reporting to the Strategic Capital Board (SCB) took place. We reviewed recent examples of these which confirmed a standard format was followed which included the following pertinent information:
  - Pipeline and approval progress for all projects within the CP1 and CP4 approvals process.



- Summary of forecast expenditure 2021/22 and future forecasts with RAG rating.
- Key programme activities and benefits realisation.
- Risk log.
- Individual portfolio dashboards then follow (of which the Corporate Estate and Neighbourhoods dashboard were of relevance in this review).

- 3.7 A number of risks had been highlighted and reported through the monthly dashboard report to SCB (March 2022) these included a red rated risk for Neighbourhoods in terms of the ongoing concern around prices and lead times in the supply chain which was impacting several projects. An amber risk was also highlighted within the same report in terms of insufficient funding in AMP to deliver works to all Council assets. Current mitigations were presented alongside the risk which included the decision to instruct contractors to make early purchases of materials and work with legal to consider contract amendments which do not leave the Council unduly exposed.
- 3.8 Our sample testing of 15 schemes confirmed that scheme folders contained key relevant information on file including Cost Plan Acceptance Form, Project Brief, investigation/survey reports, internal memos, site meetings and relevant site progress update emails. We saw evidence to confirm that learning was identified and recorded for one of the schemes tested to inform delivery and approach to other schemes.
- 3.9 A contingency element was built into the AMP budget for new priorities that arise requiring AMP support that are not already included in the future work programme. We understand any requested additions are evaluated by the AMP Steering Group although we consider the records to support the use and approval of contingency could be strengthened.

### **Key Areas for Development**

- 3.10 The 2022/23 AMP was discussed at both the AMP Steering Group in January 2022 and the Strategic Capital Board in March 2022. We did not however see evidence to confirm this was reviewed and approved by the Estates Board which we would consider to be appropriate to provide greater strategic oversight given the financial costs associated with the AMP and potential risks surrounding management and delivery of the AMP. Given no minutes are currently taken of the SCB it was not possible to determine the discussion which took place over the annual AMP as part of the approval process. As such, there was a lack of evidence to support decision making and resource allocation.
- 3.11 There was clarity over the strategic investment priorities which the AMP sought to address however the evidence trail behind the decision to include/not include a scheme on the AMP was less evident. We therefore consider the basis of decision making ahead of the plan being finalised could be better documented to explain the rationale behind the inclusion of each scheme on the plan, confirmation that the qualifying criteria has been met and the associated risks of non completion of the scheme. Possible options to record this effectively could





involve the introduction of a template to confirm which priorities (AMP and corporate) the scheme supports and potential risks and impact associated with non completion of the scheme. Adoption of a scoring mechanism, as used by other areas of the Council, to help rank schemes. Some examples of possible criteria to use were shared with the Council as part of the Construction Innovation Hub's (CIH) Value Toolkit launch and may be relevant to consider in this process.

- 3.12 Due to the nature of works falling under AMP the need for works (outside of the annual budget planning process) will arise and we agreed with the decision to include a contingency element within the annual AMP budget (£400k). Nonetheless we consider the current record keeping to support use of the contingency could be strengthened and a more consistent approach adopted.
- 3.13 We consider there would be value in maintaining a log/schedule of works funded through contingency. This could include the approved opening fund balance, amount used to date (schemes and reason for the need for funding), schemes awaiting approval and remaining balance available for the period. Similarly in terms of approval we would expect the approval of schemes using the contingency fund to require the same level of approval as planned schemes on the AMP and recommend that the basis of decision making is recorded in a consistent way. A template could be introduced for this purpose which provides detail of the scheme and confirms the key criteria requirements have been met.
- 3.14 Regular dashboard reporting to the SCB took place, however no minutes or action points were taken for this meeting which limits the evidence available to confirm the scrutiny that takes place over the AMP schemes. We note this report covers the whole Council which reduces the capacity to review schemes in detail within one meeting.
- 3.15 It was less clear the role the Estates Board had in terms of the oversight and approval of the AMP which should be clarified although we were satisfied regular discussions took place with the Executive Member. We understand the Covid pandemic impacted on the frequency with which the Estates Board met though we were informed this has now resumed. Clarity of the respective roles, remit and scope of each group (AMP Steering Group, SCB, Estates Board) should help to ensure sufficient oversight and scrutiny of the AMP and minimise duplication or omission to provide assurance over the effective and timely discharge of responsibilities in terms of the AMP.
- 3.16 Monitoring of the AMP by the AMP Steering Group centred around the AMP progress report spreadsheet. Our observation was that this contained a lot of detail. We understand it was the intention for this to fit onto one side of A3 for ease of review. However, as a result, some of the information was very brief and we consider that this may not be sufficiently detailed to allow for an up-to-date position of the scheme to be determined or to enable the highest risk schemes/issues with current schemes to be easily identified. This presents a risk that due to the brevity of status update/current position of the scheme this does not sufficiently reflect the extent of progress or issues and may prevent the direction of resources/support or an increased focus in the areas where this is

most needed. Other options could be for a sample of schemes to be selected for a deep dive on a rotational basis to review the status of the works and risks to the achievement of the scheme in more detail.

- 3.17 Whilst risks to the achievement of the AMP were reported through the SCB dashboards, regular monitoring and reporting of the status of risks and the strength of current mitigations should be explored to ensure this provides sufficient assurance over the management of risks.
- 3.18 Sample testing of 15 AMP schemes identified further areas where overall administration could be improved. These included:
- No project brief on file (Audit sample number: 4, 6)
  - Project brief/CPAF not signed (4, 13, 15)
  - No CPAF on file when required (6)
  - AMP progress sheet did not accurately reflect correct stage or costings. (1, 4, 5, 7, 8, 9). For example, a value included within the slippage column and not then added to the 2022/23 budget figure or no budget figure included for the year of spend or a stage of the project selected which was not the true position (CPAF, SoS etc.).
  - Last update on the AMP progress report was provided more than a month ago in most cases.

The AMP team provided explanations for some of the missing documentation (project brief/CPAF) which was mainly due to the schemes not having been set up by the AMP team and instead came via an instruction from senior management.



**Internal Audit Assurance Review Report 2022/23**

**Neighbourhoods: Local Neighbourhood Teams**

**Local Investment Fund (LIF)**

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Draft Report Issued	12 May 2022
Final Report Issued	16 May 2022



**Executive Summary**

Assurance Objective	Assurance Opinion	Business Impact
To provide assurance over the proposals for a new Local Investment Fund	Substantial	Low

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 Local Investment Fund (LIF) is a new flexible fund made available through the Council's mainstream revenue funding to support the delivery of ward priorities, as identified through the Ward Plan. Elected members will be able to identify key projects / activities where this funding will enable wider benefits to the ward. Unlike the Neighbourhood Investment Fund (NIF) this is not available for residents to directly apply.
- 1.2. The Local Investment Fund will make £20,000 available per ward. With 32 wards in Manchester this fund will make a total of £640,000 available for local initiatives. Examples may include small improvements in public parks, environmental improvements, or improvements to community assets.
- 1.3. We agreed with the Head of Neighbourhood Management to undertake an audit review to assure the proposals over the design of the fund. One of the aims of the fund is to be flexible in its design so that it can best support locally determined areas of need, however we have reviewed the proposals to provide assurance that this flexibility is balanced alongside a transparent and objective decision-making process that is resilient to scrutiny and challenge and helps maximise benefits accruing from fund expenditure.

**2. Conclusions and Opinion**

- 2.1. Based on our discussions with staff and review of the documentation provided we were able to provide **substantial** assurance over the proposals and documentation in place. We have undertaken this review in partnership with the team and discussed suggestions and amendments to the proposals with them to reach a consensus on the final content of the scheme documentation.
- 2.2. From our review of key documentation, we confirmed that key considerations had been identified and were clearly stated in project papers. We had confidence in the overall proposals outlined but made several suggestions for

improvements, prior to the projects commencing. These have now been included within the project documentation and are detailed below.

### **3. Findings and Incorporated Improvements**

#### Governance proposals:

- 3.1. The governance proposals covered the key principles, processes, evidence files, ineligible spend, payment process and data protection / privacy considerations.
- 3.2. The following suggestions have now been incorporated within the governance document:
  - Clarity around the ability to roll forward unused funding into the next financial year by exception only.
  - Clarity over decision making in the event of Member disagreement.

#### Project overview form:

- 3.3. A project overview form is to be completed for every project.
- 3.4. The following suggestions have now been incorporated within the form template;
  - A link to ward priorities in Ward Plans and Our Manchester Strategy priorities.
  - Declaration of interests for any Neighbourhood Officers and Councillors.
  - Clearly documented Member approval, and
  - Consideration of zero carbon and equality and diversity.

#### Monitoring spreadsheet:

- 3.5. This has been based on the same design used to monitor the Neighbourhood Investment Fund. We have agreed some improvements to fund monitoring as follows;
  - Ownership and responsibility for scrutiny of the monitoring spreadsheet needs to be established. We acknowledge these will be ward based decisions, however there should be some 'city-wide' monitoring to maintain oversight of how the total fund balance is spent. This should



include consideration of any implications for mainstream budgets going forward.

- An annual summary should be produced for presentation to the Executive Lead for Neighbourhoods. This should be able to demonstrate some level of improvement and any lessons learned.
- Where the monies go to community groups, specific outcomes and objectives should be clearly defined, monitored, and verified, to ensure they are being delivered.
- LIF funds should ideally have their own accounting cost centre to make transaction monitoring easier.