

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 20th MARCH 2024

CORPORATE ASSURANCE (INTERNAL AUDIT) PROGRESS REPORT 2023/24

1 Purpose of this report

- 1.1 The purpose of this report is to provide a summary of the Assurance activity completed, and the key issues arising from it, for the period from 1st November 2023 to 29th February 2024.

2 Background information

- 2.1 The Audit and Governance Committee has responsibility for reviewing the adequacy of the Council's corporate governance arrangements, including matters such as internal control and risk management. The reports issued by the Corporate Assurance Team are a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended.
- 2.2 At the end of the financial year, the Head of Corporate Assurance will produce an Annual Report, which will provide the overall opinion on the adequacy of the Council's control environment and compliance with it during the year.

3 Recommendations

- 3.1 **It is recommended that the Audit and Governance Committee considers the assurances it needs on the effectiveness of the Authority's internal control, risk and governance arrangements through the work of the Corporate Assurance Team by:-**
- i. considering the issues arising from completed assurance work in the period along with the responses received from management;**
 - ii. noting the assurance opinion on the adequacy and effectiveness of the Authority's internal control framework based on the work in the period;**
 - iii. noting the progress against the plan for 2023/24 in the period.**

4 Local Area Implications

- 4.1 There are no Local Area Implications arising from this report.

5 Consultations

- 5.1 All assurance reports are discussed and agreed with the Client Sponsor and Designated Operational Lead. Individual assurance reports are provided to the appropriate Executive Director and/or Service Director to apprise him/her of key issues raised and remedial actions agreed.

5.2 No specific consultation has been necessary in the preparation of this quarterly report.

6 Compatibility with European Convention on Human Rights

6.1 In the conduct of assurance work and investigations particularly, the Corporate Assurance Team operates under the provisions of the Data Protection Act 2018, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act.

7 Reduction of Crime and Disorder

7.1 An inherent aspect of assurance work is to prevent, detect and investigate incidents of fraud, theft and corruption. The control issues arising from investigations have been considered to ensure improvements in overall controls are made. Additionally, the Corporate Assurance Team ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.

8 Risk Management Considerations

8.1 The underlying purpose of the work of the Corporate Assurance Team is to address and advise on key risks facing management and, as such, risk issues are inherent in the body of the report.

8.2 The Service's own risk register includes the following risks which are relevant to this report:

- Ensure ongoing compliance with public sector internal audit standards and professional development.
- Sustainability and Security of External Contract and Clients.
- Threat of fraud against the Council.

8.3 All of these risks have been assessed and remain within the tolerance of the Service.

8.4 An essential element of the control (and on-going) management of these risks is the provision of update reports to the Audit & Governance Committee and the assurance this provides.

9 Employee Implications

9.1 There are no employee implications arising from this report.

10 Financial Implications

10.1 There are no financial implications arising directly from this report. The costs of the function are included within the Authority's base budget.

11 Appendices

Appendix 1 - Key To Assurance Gradings & Classification of Management Actions.

12 Background Papers

12.1 Various Corporate Assurance and External Audit reports, files and working papers.

Officer Contact: Head of Corporate Assurance

Telephone No: 07795 305846

Date: 4th March 2024



Barnsley Metropolitan Borough Council

Corporate Assurance

Progress Report

Audit and Governance Committee

20th March 2024

CORPORATE ASSURANCE - PROGRESS REPORT

1st November 2023 to 29th February 2024

Purpose of this report

This report has been prepared to inform the Audit and Governance Committee on the Corporate Assurance activity for the period 1st November 2023 to 29th February 2024, bringing attention to matters that are relevant to the responsibilities of the Committee.

The report also provides information regarding the performance of the function during the period.

2023/24 Corporate Assurance Plan Progress

The following tables show the progress of the plan delivery, analysed by the number of plan assignments producing a report and the days delivered by Directorate / Service. The plan has been re-prioritised during the period, in consultation with DMTs and SMT, following the Transformation Review and subsequent re-structure of the Service to ensure that resources are focussed on the strategically important areas for the remainder of the financial year.

Position as at 29th February 2024 – Days Delivered

Directorate	Original 2023/24 Plan days	Revised 2023/24 Plan days	Actual days (% of revised days)
Place Health & ASC	49	51	40 (78%)
Childrens Services	127	94	76 (81%)
Core Services	684	635	516 (81%)
Council Wide	130	130	185 (142%)
Growth & Sustainability	159	188	154 (82%)
Public Health & Communities	24	25	24 (96%)
General Contingency	21	96	N/A
Barnsley MBC	1,194	1,219	995 (82%)
Corporate Anti-Fraud Team	737	559	453 (81%)
Corporate Anti-Fraud Contingency	17	195	N/A
Barnsley MBC Assurance Total	1,948	1,973	1,448 (73%)
Corporate Governance & Assurance	260	260	265 (102%)
HolA role as DPO	25	25	20 (80%)
Corporate Days (Council related activity)	379	354	200 (56%)
External Clients	524	524	433 (82%)
Total Chargeable Planned Days	3,136	3,136	2,366 (75%)

Position as at 29th February 2024 – Plan Assignments

Directorate	2023/24 plan assignments	Assignments expected to be completed to date	Actual Assignments completed to Date	Actual assignments completed in Period
Place Health & ASC	1	1	1	0
Childrens Services	3	2	2	0
Core Services	20	11	11	9
Growth & Sustainability	9	4	4	2
Public Health & Communities	2	2	2	0
Total	35	20	20	11

NB – formal reviews resulting in a report only – excludes advisory, grants etc where no report required.

Changes to the 2023/24 Plan

There have been 9 changes to the plan during this period. These are:-

- Cancelled – Procurement Cards (Undertaking as an anti fraud review)
- Cancelled – Information Services Data Management (No longer required)
- Cancelled - Social Housing Decarbonisation Fund Wave 1 Grant (No longer required)
- Cancelled – Sustainable Warmth Grant (No longer required)
- Deferred – Cyber Strategy
- Deferred – Cyber Emergency Resilience Arrangements
- New – Travel, Accommodation and Expenses Review
- New – Overtime Review
- New – HAF Grant

Final Corporate Assurance reports issued

We have finalised 11 assurance reports in the period. The following table provides a summary of assurances, where applicable, and the number and categorisation of agreed management actions included in the reports:

Directorate-Assignment	Assurance Opinion	Number of Management Actions Agreed:			Total	Agreed
		High	Medium	Low		
Core: AGR Process 2023/24	Reasonable	0	2	0	2	2
Core: Strategic Risk, Concerns, and Issues Management	Reasonable	0	1	0	1	1
Core: Equality, Diversity & Inclusion	Reasonable	0	3	2	5	5
Core: Non-Domestic Rates	Reasonable	0	0	2	2	2
Core: Archiving Arrangements	Limited	3	2	0	5	5

Directorate-Assignment	Assurance Opinion	Number of Management Actions Agreed:			Total	Agreed
		High	Medium	Low		
Core: Contact Centre	Limited	0	3	1	4	4
Core: Budget Management and Efficiency Savings	Reasonable	0	2	0	2	2
Core: Medium Term Financial Strategy	Reasonable	0	1	0	1	1
Core: Elections Service	Reasonable	0	3	0	3	3
G&S: Asset Management - Housing Stock	Limited	4	4	1	9	9
G&S: Home to School Transport	Reasonable	0	2	1	3	3
Total		7	23	7	37	37

Please note that final assurance reports are available to Audit Committee members on request.

Corporate Assurance reports providing a limited or no assurance opinion

There were 2 reports issued during the period, that have not previously been reported into the Committee, that had a limited assurance opinion. The Asset Management Housing Stock was reporting in the HoIA Annual report at the November 2023 meeting. The 2 reports are: -

Archiving Arrangements - Up to date, approved and published policies and operational procedures existed, and these were readily available to all staff. Concerns identified are that the Retention Schedules were overdue a review and update; a lack of clarity in relation to the accountable officer to manage data in one of the systems sampled during the review and also sampling identified that retention periods have not been built into a number of systems, nor (in the majority of cases) have any data cleansing exercises / archiving been undertaken which has led to a large amount of accumulated data requiring back-up and storage. This results in increased costs and potential breaches in UK GDPR regulations. Where data cleansing / record disposals had been undertaken, a Disposal Log had not been completed to evidence appropriate authorisation for record disposal.

Contact Centre - Management invited the review to provide assurance (or not) regarding the consistency of performance management arrangements. The review concluded that a performance management framework existed, and a suite of operational procedures to guide managers, supervisors and contact centre Advisors and these clearly defined roles and responsibilities across the Contact Centre. However, there was a lack of consistency in the approach to delivering feedback to the Advisors upon completion of Call Coaching exercises, in the undertaking and recording of 1:1s and in PDRs.

Details and outcome of other Corporate Assurance activities undertaken in the period not producing a specific assurance opinion

Work Completed	Details	Contribution to Assurance
Adults: Social Care Funding Reforms Board Attendance and Digital Project Assurance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the Council can consider and then react/comply with the funding reform requirements.	The work contributes to assurance in respect to governance and financial management.
Adults: Social Care Governance Action Plan	To provide advice, support and challenge to management during the review of various services (e.g. carers, transition from children to adults).	The work contributes to assurance in respect to governance and financial management.
Childrens Services: Supported Families – Quarterly validation	Grant claim validation.	The work contributes to assurance in respect of financial management.
Council Wide	To provide advice, support and challenge to management during the Transformation Programme incl. Microsoft Project.	The work contributes to assurance in respect to governance, risk management and financial management.
Core / G&S: Glassworks Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the phase two scheme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core / G&S: SEAM Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the programme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core / G&S: Alhambra Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the programme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core / G&S: Levelling Up Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the programme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core: HR Policy	To provide advice, support and challenge to management during the review of corporate policies and procedures (including development of a policy framework).	The work contributes to assurance in respect to governance.
Core: Various Grant Claims	To independently validate the claims to be submitted to the Funding Bodies.	The work contributes to assurance in respect of financial management.

Work Completed	Details	Contribution to Assurance
G&S: Assurance - Berneslai Homes	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist.	The work contributes to assurance in respect to governance and financial management.

Other Corporate Assurance work undertaken

Activity	Description
Follow-up of Agreed Management Actions	Regular work undertaken to follow-up agreed management actions made.
Liaison, Planning and Feedback	Meeting and corresponding with Service and Executive Directors and Heads of Service regarding the review of the annual plan, progress of audit work, future planning and general client liaison.
Audit and Governance Committee Support	Time taken in the preparation of Audit Committee reports, Audit Committee Member training, general support and development.
Corporate Matters	Covering time required to meet corporate requirements, i.e. corporate document management, service business continuity and health and safety.

Work in progress – 2023/24 Plan

The following table provides a summary of reviews in progress at the time of producing this report:

Directorate - Assignment	Stage		
	Pre Planning	Work in Progress	Draft Report
Core: Project / Programme Mgt - IT			✓
Core: Constitution Review		✓	
Place Based Health & ASC: Adults Social Care Funding Reforms		✓	
G&S: Asset Management Strategy		✓	
Childrens Services: Development Plan		✓	
Core: Financial System, Main Accounting		✓	
Core: Financial System - Payroll		✓	
Core: Financial System – Council Tax		✓	
Core: Financial System – Housing Benefits		✓	
Core: Procurement Compliance		✓	
Core: Travel, Accommodation and Expenses		✓	
G&S: PRIP Contract		✓	
G&S: Barnsley Property Services		✓	
G&S: Zero Carbon		✓	
G&S: CRSTS		✓	
Core: Overtime Review	✓		

Follow-up of Corporate Assurance report agreed management actions

As previously reported to the Committee, the Corporate Assurance Team is working closely with management to monitor the general position with regards the implementation of management actions and to establish the reasons behind any delays. The Corporate Assurance Team continues to issue a detailed monthly status update to Service Directors and to Executive Directors on a quarterly basis. This is in addition to the performance reports currently presented to SMT.

The following table shows the status of agreed management actions by Directorate where the original target implementation date was due for completion during the period:

Implication Categorisation	Followed Up in Period	Completed	Not yet completed – Revised date agreed	Not yet completed – Awaiting management update
Place Health and ASC				
High	0	0	0	0
Medium	2	2	0	0
TOTAL	2	2	0	0
Growth & Sustainability				
High	0	0	0	0
Medium	9	8	1	0
TOTAL	9	8	1	0
Childrens Services (excl. Maintained Schools)				
High	1	1	0	0
Medium	5	5	0	0
TOTAL	6	6	0	0
Maintained Schools				
High	0	0	0	0
Medium	0	0	0	0
TOTAL	0	0	0	0
Core				
High	5	4	1	0
Medium	26	8	17	1
TOTAL	31	12	18	1
Public Health & Communities				
High	0	0	0	0
Medium	0	0	0	0
TOTAL	0	0	0	0
OVERALL TOTAL	48	28	19	1
% of TOTAL		58	40	2

Corporate Assurance performance indicators for Quarter 3 - 2023/24

Performance against a number of indicators is summarised below.

Ref.	Indicator	Frequency of Report	Target 2023/24	This Period (Q3)	Year to Date
1.	<u>Customer Perspective:</u>				
1.1	Percentage of questionnaires received noted “good” or “very good” relating to work concluding with an assurance report.	Quarterly	95%	100%	100%
2.	<u>Business Process Perspective:</u>				
2.1	Percentage of final assurance reports issued within 10 working days of completion and agreement of the draft assurance report.	Quarterly	80%	100%	100%
2.2	Percentage of chargeable time against total available.	Quarterly	73%	60%	62%
2.3	Average number of days lost through sickness per FTE	Quarterly	6 days	7 days	12.7 days
3.	<u>Continuous Improvement Perspective:</u>				
3.1	Personal development plans for staff completed within the prescribed timetable.	Annual	100%	100%	100%
4.	<u>Financial Perspective:</u>				
4.1	Total costs v budget.	Quarterly	Within Budget	Within Budget	Within Budget

* The chargeable time indicator to date has been impacted upon by the profile of annual and statutory leave, which will level out throughout the year and the impact of sickness absences.

Head of Corporate Assurance’s Internal Control Assurance Opinion

The Head of Corporate Assurance must deliver an annual ‘internal audit’ opinion and report that can be used by the organisation to inform its Annual Governance Statement. The annual ‘internal audit’ opinion must conclude on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control.

Based on the assurance work reported in the period, an overall **reasonable** assurance opinion is considered to be appropriate.

A summary of our quarterly opinions for the year to date is as follows:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Assurance Opinion	Reasonable	Reasonable	Reasonable	

Consideration of our overall opinion takes the following into account:

- results from the substantive assurance assignments we have completed during the period;
- outcomes from our assurance work not producing an assurance opinion;
- an assessment as to the timely implementation of agreed management actions.

Corporate Assurance Contact

Contact	Title	Contact Details
Sharon Bradley	Head of Corporate Assurance	Tel: 07795 305846 Email: sharonbradley@barnsley.gov.uk

KEY TO ASSURANCE GRADINGS AND CLASSIFICATION OF MANAGEMENT ACTIONS

1. Classification of Management Actions

High	Requires immediate action – imperative to ensuring the objectives of the system under review are met.
Medium	Requiring action necessary to avoid exposure to a significant risk to the achievement of the objectives of the system under review.
Low	Action is advised to enhance control or improve operational efficiency.

2. Assurance Opinions

	Level	Control Adequacy	Control Application
POSITIVE OPINIONS	Substantial	Robust framework of controls exist that are likely to ensure that objectives will be achieved.	Controls are applied continuously or with only minor lapses.
	Reasonable	Sufficient framework of key controls exist that are likely to result in objectives being achieved, but the control framework could be stronger.	Controls are applied but with some lapses.
NEGATIVE OPINIONS	Limited	Risk exists of objectives not being achieved due to the absence of key controls in the system.	Significant breakdown in the application of key controls.
	No	Significant risk exists of objectives not being achieved due to the absence of controls in the system.	Fundamental breakdown in the application of all or most controls.