

# **Finance, Resources, Audit and Governance Committee**

## **Agenda**

### **Members of the Finance, Resources, Audit and Governance Committee:**

Cllr P Hardy (Chairman)  
Cllr C Brown  
Cllr B Duffin  
Cllr T Laidlaw  
Cllr G Minshull

Cllr S Ridley (Vice Chairman)  
Cllr A Dearnley  
Cllr D Elmer  
Cllr N Legg

### **Date & Time:**

Friday 24 September 2021  
9.30am

### **Place:**

Council Chamber, South Norfolk House, Cygnet Court, Long Stratton, Norwich, NR15 2XE

### **Contact:**

Jessica Hammond tel (01508) 505298  
Email: [democracy@s-norfolk.gov.uk](mailto:democracy@s-norfolk.gov.uk)  
Website: [www.south-norfolk.gov.uk](http://www.south-norfolk.gov.uk)

### **PUBLIC ATTENDANCE:**

If a member of the public would like to attend to speak on an agenda item, please email your request to [democracy@s-norfolk.gov.uk](mailto:democracy@s-norfolk.gov.uk), no later than 5.00pm on Wednesday 22 September 2021.

### **Large print version can be made available**

If you have any special requirements in order to attend this meeting, please let us know in advance.

## **Public Speaking and Attendance at Meetings**

All public wishing to attend to observe, or speak at a meeting, are required to register a request by the date / time stipulated on the relevant agenda. Requests should be sent to: [democracy@s-norfolk.gov.uk](mailto:democracy@s-norfolk.gov.uk)

Public speaking can take place:

- Through a written representation (which will be read out at the meeting)
- In person at the Council offices

Please note that due to the current rules on social distancing, the Council cannot guarantee that you will be permitted to attend the meeting in person. There are limited places in the Council Chamber and the numbers of public speakers permitted in the room will vary for each meeting.

All those attending the meeting in person are asked to sign in on the QR code for the building and arrive/ leave the venue promptly. The hand sanitiser provided should be used and social distancing must be observed at all times. Further guidance on what to do on arrival will follow once your initial registration has been accepted.

# AGENDA

1. To report apologies for absence and to identify substitute members;
2. Any items of business which the Chairman decides should be considered as a matter of urgency pursuant to section 100B(4)(b) of the Local Government Act, 1972. Urgent business may only be taken if, “by reason of special circumstances” (which will be recorded in the minutes), the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency;
3. To receive Declarations of interest from Members;  
(Please see guidance form and flow chart attached – page 8)
4. To confirm the minutes from the meetings of the Finance, Resources, Audit and Governance Committee held on;
  - a. 25 June 2021 (attached – page 10)
  - b. 9 July 2021 (attached – page 17)
5. Audit Plan Addendum – VFM Risk Assessment;  
(Please Note: as this document has been provided by an external source, we cannot guarantee that it is fully assessable)  
(attached – page 21)
6. Statement of Accounts 2020/21; (attached – page 27)
7. Progress Report on Internal Audit Activity; (attached – page 29)
8. Follow Up Report on Internal Audit Recommendations; (attached – page 33)
9. Finance, Resources, Audit & Governance Committee Work Programme;  
(attached – page 39)

## Glossary

### General Terms

**AGS** – *Annual Governance Statement* – This is a statement prepared by the Council each year to summarise the governance and assurance framework, and highlight any significant weaknesses in that framework

**BAD DEBT PROVISION** - To take account of the amount of debt which the Council estimates it will not be able to collect.

**Build Insight** – The Council's Approved Inspector company, authorised under the Building Act 1984 to carry out building control work in England and Wales.

**CIPFA** – *the Chartered Institute of Public Finance and Accountancy* – the accountancy body for public services

**CoCo** - *Code of Connection* – a list of security controls that the Council has to have in place in order to undertake secure transactions with other government bodies

**CNC** - a joint venture established with Norwich City Council, Broadland Council and Kings Lynn and West Norfolk Borough Council to deliver the Council's building control functions, ensuring buildings and developments comply with building regulations

**CNC CS** – CNC consultancy services, the private company administered by CNC

**CREDITOR** - A person or organisation which the Council owes money to for a service or goods.

**CSO** – *Contract Standing Orders* – outline the Council's rules when entering into contracts and buying large value goods

**GIG** - Gaining Independence Grant – a small grant to support residents with adaptations to allow them to live independently

**GNDP** – *Greater Norwich Development Partnership* – a partnership with Norwich City and Broadland Councils that manages delivery of the Government's growth strategies

**GNGB** – *Greater Norwich Growth Board* – a partnership with Broadland Council, Norwich City Council, Norfolk County Council and New Anglia Local Enterprise Partnership providing strategic direction, monitoring and coordination of both the City Deal and the wider growth programme for the Greater Norwich area

**JCS** – *Joint Core Strategy* – sets out the general vision and objectives for delivering the local development framework

**JOURNAL** - The transfer of a transaction to either a different cost centre or a different categorisation within the finance system e.g. transfer of an item of expenditure between HR and Planning or the transfer of expenditure from electricity to water. These are used to correct input errors, share costs/income between cost centres or to record expenditure or income which has not yet been invoiced.

**KPI** - Key Performance Indicator

**LASAAC** – *Local Authority (Scotland) Accounts Advisory Committee* – this Committee develops proper accounting practice for Scottish Local Authorities

**LDF** – *Local Development Framework*- outlines the management of planning in the Council

**LEDGER** - A module within the finance system e.g. Sales Ledger, Purchase Ledger, General Ledger.

**LGA** – *Local Government Association* – a lobbying organisation for local councils

**LGPS** – *Local Government Pension Scheme*- Pension Scheme for all public-sector employees

**LSVT** - *Large Scale Voluntary Transfer* - the transfer of the Council's housing stock to Saffron Housing Trust

**Moving Forward Together** – The Council's internal programme to improve performance in a number of key areas

**NFI** – *National Fraud Initiative* – A national exercise to compare data across public sector organisation to aid identifying potential frauds

**NHB** – New Homes Bonus - grant paid by central government to local councils for increasing the number of homes and their use

**NI** – *National Indicator* – a measure used to identify how the Council is performing that is determined by central government

**NNDR/NDR** – *(National) Non-Domestic Rates* – commonly known as Business Rates

**PI** – *Performance Indicator* – measure used to identify how the Council is performing

**PSN** – *Public Services Network* - provides a secure private internet for organisations across Central Government and the Wider Public Sector and standardised ICT infrastructure

**RAD** - Rent Assisted Deposit scheme.

**RFG** – *Rules of Financial Governance* – the Council's rules governing the day-to-day financial activities undertaken

**SLA** – *Service Level Agreement* – an agreement that sets out the terms of reference for when one organisation provides a service to another

**MTP** – *Medium Term Plan* – sets out the future forecast financial position of the Council

**SOLACE** – *Society of Local Authority Chief Executives* – society promoting public sector management and development

**SPARSE** – *Sparsity Partnership for Authorities Delivering Rural Services* – an organisation that benchmarks and supports local rural councils

**SUNDRY DEBTOR** - A customer who owes the Council money for a service they have received prior to payment, this excludes Council Tax or NDR. The term can also refer to the system used to record money owed to the council e.g. the Sundry Debtors system which is a module within the financial system.

## **Audit Terminology**

**APB** – *Auditing Practices Board* – the body that sets the standards for auditing in the UK

**COUNT** – *Count Once, Use Numerous Times* – a system used for data collection and analysing, which works to avoid duplication by assuming the principle that a piece of data should be recorded once but used several times in different ways

**ISA** – *International Auditing Standard* – Provides external auditors with a required framework that dictates work to be undertaken before awarding an opinion on the statement of accounts

**VFM Conclusion** – *Value for Money Conclusion* – the Audit Commission are required to give an annual conclusion on the Council's arrangements for providing value for money in addition to the opinion given on the statement of accounts.

## **Accounting Terminology**

**BRRS** – *Business Rates Retention Scheme* - provides a direct link between business rates growth and the amount of money councils have to spend on local people and local services (the Council retains a proportion of the income collected as well as growth generated in the area)

**CFR** – *Capital Financing Requirement* – a calculated figure that establishes the amount of money the Council needs to borrow

**Collection Fund** – a separate account statement that records the transactions relating to the collection and redistribution of council tax and business rates

**GAAP** – *Generally Accepted Accounting Practice* – this provides the overall framework for accounting principles prior to IFRS adoption in local government (also "UK GAAP" – specific to the United Kingdom)

**IAS** – *International Accounting Standards* – these were the precursors for international financial reporting standards (see below).

**IFRS** – *International Financial Reporting Standards* – the underlying standards for the Council's accounting policies and treatment of balances

**IPSAS** – *International Public-Sector Accounting Standards* – these set out the accounting standards for public sector bodies and are based on the international financial reporting standards.

**MRP** – *Minimum Revenue Provision* – the amount of money the Council needs to set aside each year to fund activities from revenue balances

**Non-current assets** – assets from which benefit can be derived by the Council for more than one year (formerly known as Fixed Assets)

**RSG** – *Revenue Support Grant* - one source of Council funding from Central Government

**SeRCOP** – *Service Reporting Code of Practice* – outlines how Council should classify income and expenditure across different services

**SSAP** – *Statement of Standard Accounting Practice* – preceded the financial reporting standards in the UK

**The Code** – *Code of Practice on Local Authority Accounting in the UK* – main guidance on accounting treatment required for the statement of accounts

**Virement** – The process of transferring a sum of money from one part of the Council's budget to another, subject to appropriate approval.

**WGA** – *Whole of Government Accounts* – an exercise undertaken to consolidate all the accounting records of government bodies

### **International Accounting and Financial Reporting Standards Reference Numbers**

**IAS1** – *Presentation of Financial Statements* – sets out the prescribed format for statements of accounts

**IAS19** – *Employee Benefits* – essentially provides the basis for accounting for the pension fund

**IAS20** – *Accounting for Government Grants* – establishes the accounting treatment for receiving government grants

**IAS40** – *Investment Property* – how organisations should account for properties held as an investment

**IPSAS16** – *Investment Property* – how public-sector organisations should account for properties held as an investment

**IPSAS23** – *Revenue from non-exchange transactions (taxes and transfers)* – this determines how monies from taxes should be treated in the accounts

### **Council Systems**

**ALBACS CS** – The Council's system to make payments to other organisations

**AXIS** - Income receiving system which interacts directly with Integra

**Clubrunner** – System used to manage bookings and activities at the leisure centres

**eXpress** – the electoral registration system

**FAM** – the system used by the accountancy team to record the Council's assets and associated transactions

**IBS** – the Revenues system, maintains all Council Tax, Business Rates and Benefits records

**IDOX Uniform** – IT platform covering Planning, Building Control, Environmental Services, Land Charges, Licensing, Estates, Street Naming and Numbering and Address Gazetteer.

**Integra** – general ledger used to record all accounting transactions, including purchases made by the Council and income received by the Council

**LALPAC** – system used to record licensing details

## DECLARATIONS OF INTEREST AT MEETINGS

When declaring an interest at a meeting Members are asked to indicate whether their interest in the matter is pecuniary, or if the matter relates to, or affects a pecuniary interest they have, or if it is another type of interest. Members are required to identify the nature of the interest and the agenda item to which it relates. In the case of other interests, the member may speak and vote. If it is a pecuniary interest, the member must withdraw from the meeting when it is discussed. If it affects or relates to a pecuniary interest the member has, they have the right to make representations to the meeting as a member of the public but must then withdraw from the meeting. Members are also requested when appropriate to make any declarations under the Code of Practice on Planning and Judicial matters.

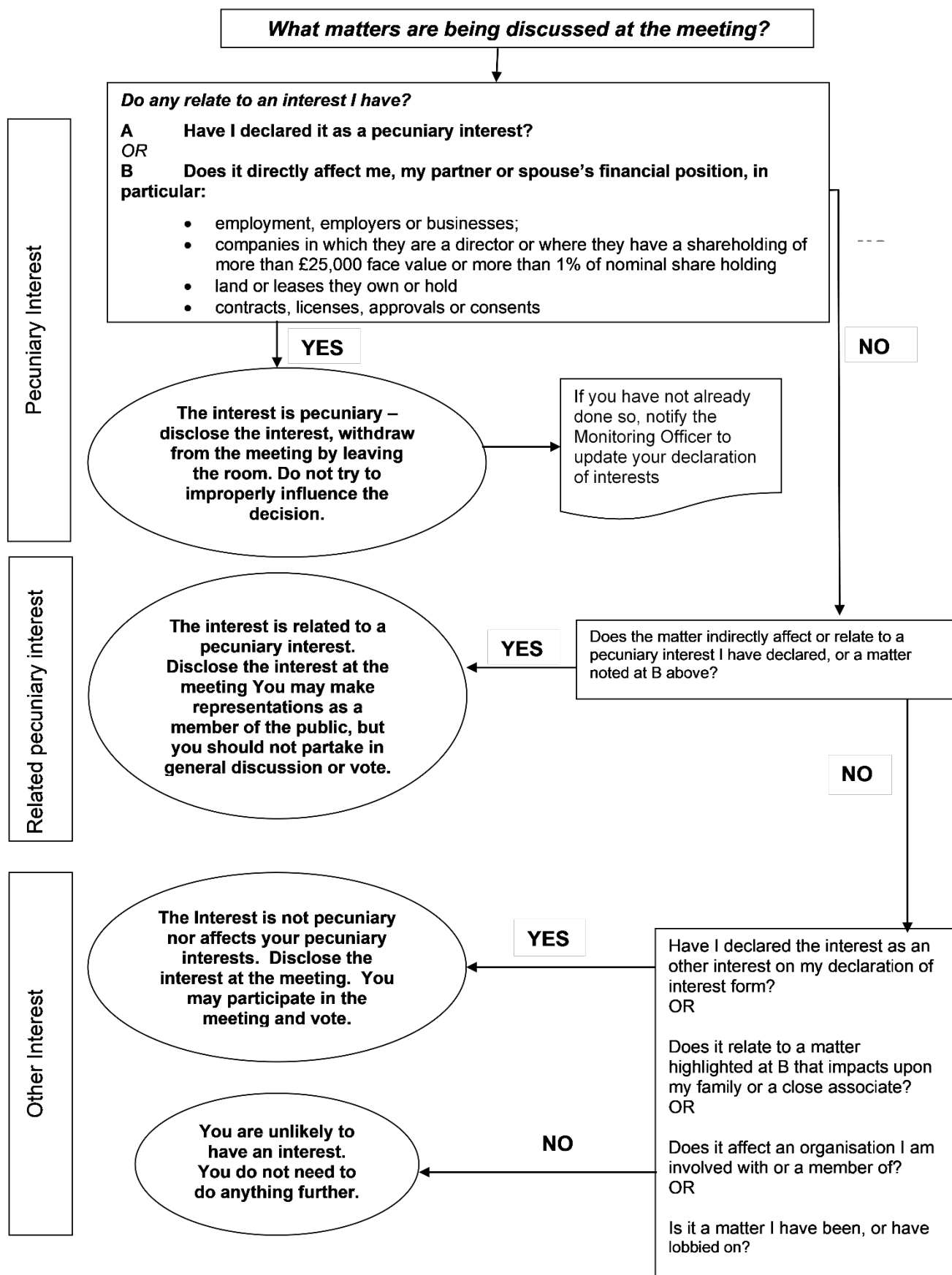
<p>Have you declared the interest in the register of interests as a pecuniary interest? If Yes, you will need to withdraw from the room when it is discussed.</p>
<p>Does the interest directly:</p> <ol style="list-style-type: none"> <li>1. affect yours, or your spouse / partner's financial position?</li> <li>2. relate to the determining of any approval, consent, licence, permission or registration in relation to you or your spouse / partner?</li> <li>3. Relate to a contract you, or your spouse / partner have with the Council</li> <li>4. Affect land you or your spouse / partner own</li> <li>5. Affect a company that you or your partner own, or have a shareholding in</li> </ol> <p>If the answer is "yes" to any of the above, it is likely to be pecuniary.</p> <p>Please refer to the guidance given on declaring pecuniary interests in the register of interest forms. If you have a pecuniary interest, you will need to inform the meeting and then withdraw from the room when it is discussed. If it has not been previously declared, you will also need to notify the Monitoring Officer within 28 days.</p>
<p>Does the interest indirectly affect or relate any pecuniary interest you have already declared, or an interest you have identified at 1-5 above?</p> <p>If yes, you need to inform the meeting. When it is discussed, you will have the right to make representations to the meeting as a member of the public, but you should not partake in general discussion or vote.</p>
<p>Is the interest not related to any of the above? If so, it is likely to be an other interest. You will need to declare the interest, but may participate in discussion and voting on the item.</p>
<p>Have you made any statements or undertaken any actions that would indicate that you have a closed mind on a matter under discussion? If so, you may be predetermined on the issue; you will need to inform the meeting, and when it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.</p>

**FOR GUIDANCE REFER TO THE FLOWCHART OVERLEAF.**



**PLEASE REFER ANY QUERIES TO THE MONITORING OFFICER IN THE FIRST INSTANCE**

## DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



**Agenda Item: 4a**

## **FINANCE, RESOURCES, AUDIT AND GOVERNANCE COMMITTEE**

**Minutes of a meeting of the Finance, Resources, Audit and Governance Committee of South Norfolk District Council, held on Friday 25 June 2021 at 9.30am.**

<b>Committee Members Present:</b>	Councillors: S Ridley (Chairman for the meeting), C Brown, A Dearnley, B Duffin and T Laidlaw
<b>Apologies for Absence:</b>	Councillor: P Hardy
<b>Cabinet Member Present:</b>	Councillor: J Worley
<b>Officers in Attendance:</b>	The Director of Resources (D Lorimer), the Chief of Staff (E Hodds), the Internal Audit Manager (F Haywood) and the Senior Procurement Officer (A Butcher)
<b>Other Members Present:</b>	Councillor: D Bills
<b>Also in Attendance:</b>	Mr A Bull, Procurement Manager at Breckland District Council Mr M Hodgson (Ernst & Young (EY))

### **261 MINUTES**

The minutes of the meeting of the Finance, Resources, Audit and Governance Committee held on 5 March 2021 were confirmed as a correct record.

### **262 STRATEGIC AND ANNUAL INTERNAL AUDIT PLANS 21/22**

Members considered the report, which provided an overview of the stages followed prior to the formulation of the Strategic Internal Audit Plan for 2021/22 to 2024/25 and the Annual Internal Audit Plan for 2021/22. The report also provided the basis for the Annual Audit Opinion on the overall adequacy and effectiveness of South Norfolk Council's framework of governance, risk management and control. The Internal Audit Manager advised the Committee that the plans also looked at the impact of the Covid 19 pandemic and sought to provide assurance on the framework for Covid Relief

Grants, Business Strategy & Performance Management, Counter Fraud & Corruption and the Annual Governance Statement.

In response to queries on the Counter Fraud & Corruption framework, the Internal Audit Manager informed the committee that there was a proactive approach to the framework which included new guidance on threat opportunities in order to ensure good practice was followed.

One member queried the date of the next external assessment, the Internal Audit Manager advised that the next external assessment was to be carried out in 2022, but that the exact date had not been determined.

A vote was taken and it was unanimously,

## **RESOLVED**

That the Committee approve:

- a) The Internal Audit Charter
- b) The Internal Audit Strategy
- c) The Strategic Internal Audit Plans 2021/22 to 2024/25; and
- d) The Annual Internal Audit Plan 2021/22.

## **263 EXTERNAL AUDIT PLAN 2020/21**

Members considered External Audit Plan from Ernst & Young (EY), which summarised their assessment of the key risks driving the development of an effective audit for the Council.

Mr M Hodgson from EY took members through the plan for 2020/21, highlighting the key areas of activity. He noted that new risks had been considered as a result of the Covid 19 pandemic, this included Government grants and NNDR appeal collections.

With regard to the new 2020 code, Mr Hodgson informed members of the changes to the auditor responsibilities, which included:

- Positive conclusions were no longer reported
- Upfront Risk Assessment reports provided
- Annual Auditor Report to be produced within 3 months of the audit (this replaced the Annual Audit Letter)

In response to a query on the timeline of key stages of the audit and deliverables, Mr Hodgson confirmed that EY were on track for the work to be completed on time, but that that would be dependant on the quality of the reports received by the Council and the amount of follow up required.

After further discussion, the Chairman thanked Mr Hodgson for his report and it was,

## **RESOLVED**

To note the contents of the report.

### **264 ANNUAL GOVERNANCE STATEMENT 2020/21**

The Chief of Staff introduced her report, which presented the draft Annual Governance Statement 2020/21.

She advised the Committee that the Annual Governance Statement covered various assurances from the Assistant Directors across key service areas, in addition to other key assurance sources as outlined at section 2.3 of the report.

It was noted that the assurance statement from 2019/20 highlighted no significant issues and that governance regarding closer working relationships with Broadland District Council was raised as a key theme. Although it was not a significant issue, given the previous year it was considered important to still have oversight of this.

The assurance statement for 2020/21 highlighted two areas which needed further attention:

- Risk and Control - which included the roll out of Risk Management training to officers, ensuring clear understanding of how the Council managed risk
- Business Continuity – which had been tested over the last year due to the Covid 19 pandemic, it was noted that there was a need to undertake a 'lessons learnt' exercise and that the Business Continuity Plan needed to be updated to incorporate the lessons learnt over the last year.

A section in the Statement covered the Covid 19 pandemic and how the control environment had been affected.

The Chief of Staff explained to the Committee that the Statement was subject to the outcome of the Head of Internal Audit's Opinion Report which, due to delays, would be brought before the Committee at its meeting on 9 July 2021.

Members discussed the assurance statements and it was noted by the Portfolio Holder that no joint Broadland District Council issues had been highlighted, which he felt was a good step forward for the One Team concept.

In response to a query on when the Annual Governance Statement would be signed, the Chief of Staff informed Members that the Head of Internal Audit's Opinion report had to be finalised and brought before the Committee before the Annual Governance Statement could be signed off. Members noted a couple of typographical errors, which the Chief of Staff confirmed would be corrected prior to the sign off.

Discussions were held with regard to the increased scale of operation of Big Sky Ltd and the increase in investment by the Council, it was noted that 2 members of the Council now sat on the Board of Directors of Big Sky.

A vote was taken and it was unanimously,

### **RESOLVED**

To approve the Annual Governance Statement for 2020/21.

## **265 COUNTER FRAUD ACTIVITY 2020/21**

The Director of Resources provided the Committee with a verbal presentation on the Counter Fraud Activity for 2020/21. This provided members with an update of the Counter Fraud activities of the Council during 2020/21. She outlined the background of the work undertaken in supporting the Department of Work and Pensions (DWP). It was noted that 71 referrals of potentially fraudulent claims had been reported to the DWP by South Norfolk Council. Due to the Covid 19 pandemic and the inability to conduct interviews under caution; it had not been possible to pursue criminal investigations over the last year, instead officers had concentrated on correcting Council Tax Support accounts and rectifying these by civil means.

The main body of work carried out over this year involved the Covid business grant verification. The Director of Resources informed members that the Government requested that Council pay out the grants to businesses as quickly as possible with only limited pre-payment checks, whilst they agreed to carry the risk that that would entail with regard to fraudulent claims. The Council was then required to undertake extensive post-payment checks. Members queried whether there would be any recourse to the Council over unrecoverable grants. The Director of Resources explained that the Government would cover the unrecoverable monies, but that as the grants were funded by public money the Council would attempt to recover as much as possible, she also explained that if there were any losses as a result of errors made by South Norfolk Council, these may not be covered by Government.

With regard to fraud training and the resource within the Council the Director of Resources informed members that the Senior Investigations and

Enforcement Officer had provided fraud training to the Benefits Team and in addition support and advice had been provided across the One Team. It was noted that there was a limited fraud resource within the Council with only one senior officer in the team. Due to a backlog of work a temporary resource had recently been added to the team.

Members were advised of the work undertaken by the Council as part of the National Fraud Initiative hosted by the Cabinet Office, which was a data-matching exercise that sought to identify potential errors or instances of fraud.

With regard to internal fraud, the Senior Investigations and Enforcement Officer had investigated and concluded one internal conduct matter and two grievance investigations.

## **266 REVIEW OF CONTRACT PROCEDURE RULES**

Members considered the report which provided a review of South Norfolk's Contract Procedure Rules (CPRs) and sought to update wording within the report as well as replace the contract award levels with those proposed within the report at section 2.8 (page 107). The Senior Procurement Officer explained that proposed changes if approved by both Councils would align the CPRs for both Broadland District Council and South Norfolk Council and bring them in step with neighbouring authorities, which would be important were the Council to be part of a Procurement Consortium, which was currently being considered. She also explained that the proposed amendments to the contract award levels would bring them in proportion with officers seniority levels within the Council. In response to a member's query she explained that the current contract award levels meant that an Assistant Director could employ an officer at a greater monetary cost than they were able to award a contract at. The Director of Resources added that in those cases a Director would be responsible for awarding a contract for a project that they had less knowledge of than the Assistant Director who was not authorised to award a contract at that level.

The Senior Procurement Officer also informed the Committee that Broadland District Council's Audit Committee had resolved to recommend the amended CPRs subject to the retention of the current contract award levels. Members noted the importance of a joint CPR policy between the two Councils and queried the reasoning behind Broadlands decision. The Senior Procurement Officer advised the Committee that Broadlands Audit Committee felt that there was no justification for the contract award level to be increased and that there was little evidence to show procurement had been significantly impacted on as a result of the current levels.

In response to queries on the rationale for the amended CPRs and increased contract award levels, the Director of Resources reiterated that an aligned

CPR policy would aid the proposed procurement consortium and that standardised procurement across authorities would help to encourage a larger number of suppliers to bid for local authority contracts.

After further discussion, in which members reflected that the reasons given for the need for the amended CPRs and contract award levels were valid, a vote was taken and it was,

## **RESOLVED**

To recommend to Full Council the amended Contract Procedure Rules attached as Appendix A.

### **267 STRATEGIC RISK REGISTER Q4 2020/21 UPDATE**

The Director of Resources presented the report which sought to provide members with an overview of the Q4 position of the Strategic Risk Register for South Norfolk Council, she explained that the oversight of the Strategic Risk Register was a responsibility of the Finance, Resources, Audit and Governance Committee.

In response to a query on the mitigations put in place for risk 12 – Capability and capacity of the workforce is not aligned effectively to key priorities and organisational requirements. The Director of Resources explained that the Council looked to provide apprenticeship opportunities in the Planning, IT and Environmental Health service areas in order to develop talent and increase capacity options in those hard to recruit areas. She further explained that the Council currently had 14 apprentices, which would be increased to 30.

One member queried whether Planning and IT roles were harder to recruit as Local Government salaries were lower than those offered in the private sector. In response the Director of Resources informed members that demand in those areas were low across sectors and that the Council was able to pay inducements and market supplements to encourage recruitment.

It was then,

## **RESOLVED**

To note the Strategic Risk Register update for Q4 2020/21 for the Council.

## **268 WORK PROGRAMME**

Members considered and noted the Finance, Resources, Audit and Governance Committee's Work Programme.

(The meeting concluded at 10.40am)

---

Chairman



**Agenda Item: 4b**

## **FINANCE, RESOURCES, AUDIT AND GOVERNANCE COMMITTEE**

**Minutes of a meeting of the Finance, Resources, Audit and Governance Committee of South Norfolk District Council, held on Friday 9 July 2021 at 9.30am.**

**Committee Members Present:** Councillors: P Hardy (Chairman), C Brown, A Dearnley, B Duffin and T Laidlaw

**Apologies for Absence:** Councillor: D Elmer, G Minshull and S Ridley

**Officers in Attendance:** The Head of Internal Audit (S Storm), the Internal Audit Manager (F Haywood) and the Internal Audit Trainee (E Voinic)

### **269 PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY**

Members considered the report, which reviewed the work performed by Internal Audit in delivering the Annual Internal Audit Plan for 2020/21 during the period 2 March 2021 to 29 June 2021. She explained that all audit work for 2020/21 had now been completed and was covered in this report.

In respect of the suggested recommendations regarding the Economic Development department, the Internal Audit Manager explained that a full assurance review would take place in 2022/23, and that a report would be produced to confirm whether the recommendations had been accepted, the person responsible and the timeframe for action.

Members discussed home-working and the undertaking of audits remotely during the Covid 19 pandemic and queried if this had affected the evidence gathering process. The Internal Audit Manager confirmed that the increased use of digital technology during the pandemic had benefitted evidence gathering, but acknowledged that there were drawbacks to homeworking and that there was still a need for some in person work to take place, she suggested that future audits would take on a hybrid approach.

Further queries arose regarding what the balance between home and office-based working would be to ensure excellent customer service would be maintained. The Internal Audit Manager advised members that a large

number of officers wished to continue with home-based working and that strong management processes would be utilised to ensure output and performance was maintained, she reassured members that officers would continue to be located where the business and customer need required them to be.

Members discussed the eight 'reasonable' assurances, and it was noted that prior to the One Team collaboration South Norfolk Council had achieved some 'substantial' assurances, one member queried whether or not the collaboration had allowed for progress to be made. the Internal Audit Manager reminded members that the Internal Audit Plan had to be revised to take into account Covid 19 and that 8 'reasonable' assurances during a global pandemic was a great outcome. She added that there were some areas where Broadland and South Norfolk still have different policies, systems and processes in place and that adapting to a new way of working would have had an impact on the control framework.

In response to questions regarding the HR and Payroll audit, the Internal Audit Manager confirmed that there had been issues with the new payroll system as had been noted by both officers and members, but that these could not be evidenced at the time the audit was carried out. She explained that the issues raised would be considered during the next review.

With regard to the significant delays faced, she explained that a number of causes were responsible for the delays and that the Eastern Internal Audit Services and the Internal Audit team were working to streamline processes, undertake a communication strategy to improve officer's engagement with Internal Audit.

During further discussion several queries were raised, the Committee requested that the Internal Audit Manager reported back to them responses to the following:

- Confirmation on whether the contract with ARP Enforcement Agency had now been signed by the Council and ARP.
- Whether the root cause of the Council's Authorised Signatory List not being up to date during the first half of 2020/21 had been identified.
- Clarity on whether "the average number of days taken to change customers addresses" (page 29 of the agenda) referred to working days or actual days.
- Clarity where it stated "the time taken to process the assessment of new claims for both Broadland and South Norfolk is below the national average" on what the national average was and how far below the average the Councils were.
- Confirm whether there was an exact date or timeline for the periodic customer satisfaction survey to be developed and implemented

It was then,

**RESOLVED**

To note the outcomes of the completed Internal Audit Plan for 2020/21.

**270 FOLLOW UP REPORT ON INTERNAL AUDIT RECOMMENDATIONS**

The Internal Audit Manager presented the report, which informed members of the progress made in relation to management's implementation of agreed internal audit recommendations falling due by 31 March 2021. She advised members that there were no urgent or important recommendations, which was unprecedented and a very positive position for the Council to be in.

The Chairman congratulated CMLT on the excellent audit position and thanked all officers involved for their hard work in achieving it.

It was then,

**RESOLVED**

To note the position in relation to the completion of agreed Internal Audit recommendations as at 31 March 2021.

**271 HEAD OF INTERNAL AUDIT'S ANNUAL REPORT AND OPINION FOR 2020/21**

The Head of Internal Audit presented the report, which informed members of the annual internal audit opinion on the Councils governance risk management and control framework and evaluates the effectiveness of the internal audit function for 2020/21.

It was noted that no issues should be reflected in the Annual Governance Statement and that the annual review of effectiveness had raised no issues. The Head of Internal Audit added that an external assessment of Internal Audits work, which must be undertaken every five years, was due to take place in 2022.

She advised the Committee that the Internal Audit Plan had been revised to take into account the Covid 19 pandemic as agreed by the Committee, she reassured members that the audit work had shown that the Councils ability to deliver core services had not been significantly impacted by the pandemic. She provided a summary of the work undertaken and explained that all areas had been graded as 'reasonable', which was a positive outcome for the Council.

One member queried what the Economic Development service area position statement meant. The Internal Audit Manager explained that the position statement was an advisory piece of work which would help management to design the control framework. She added that the position statement would be followed up with an assurance assessment.

The Head of Internal Audit advised the Committee that no opinion had been given on the issuing of business grants during the pandemic, however there would be a post award review in 2021/22. The Internal Audit Manager added that eight days had been allocated to undertake the review, a scoping exercise would be carried out and the most significant risks considered, she informed members that a report would be brought to the Committee once complete.

A vote was taken, and it was unanimously,

## **RESOLVED**

To

- a) Note that a reasonable audit opinion has been given in relation to the overall adequacy and effectiveness of the Council's framework of governance, risk management and control for the year ended 31 March 2021.
- b) Note that the opinions expressed together with any significant matters arising from Internal Audit work and contained within this report should be given due consideration, when developing and reviewing the Council's Annual Governance Statement for 2020/21.
- c) Note the conclusions of the Review of the Effectiveness of Internal Audit.

## **272 WORK PROGRAMME**

Members considered and noted the Finance, Resources, Audit and Governance Committee's Work Programme. The Chairman advised the Committee that the self-assessment of the FRAG Committee would be brought to the 4 February Committee Meeting.

(The meeting concluded at 10.16am)

---

Chairman

A background image showing a meeting in progress. Several people are seated around a white table, looking at and pointing to documents. One person in the foreground is wearing a yellow shirt and a watch. Another person is wearing a gold bracelet. A smartphone is visible on the table. The overall atmosphere is professional and collaborative.

## **South Norfolk District Council**

### **Audit Plan Addendum - VFM Risk Assessment**

Year ended 31 March 2021

3 September 2021

**Agenda Item: 5**



South Norfolk District Council  
Finance, Resources, Audit and Governance Committee  
Members  
South Norfolk House, Swan Lane  
Long Stratton, Norfolk  
NR15 2XE

3 September 2021

Dear Committee Members

**Audit Plan Addendum - VFM Risk Assessment**

We are pleased to attach a short Audit Plan Addendum to report the outcome of our VFM risk assessment under the new NAO Code which applies for the audit of the Council's 2020/21 accounts.

The purpose of this report is to provide the Finance, Resources, Audit and Governance Committee with an update on our VFM Risk Assessment, which we flagged as requiring completion in our Provisional Audit Plan dated 10 May 2021.

You should note that there are no other changes to our planned audit approach and risk assessment that we set out in the Provisional Audit Plan dated 10 May 2021.

Yours faithfully

*Mark Hodgson*

Mark Hodgson  
Associate Partner  
For and on behalf of Ernst & Young LLP





01

# Value for Money Risks



## Value for money

### South Norfolk Council's responsibilities for value for money

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

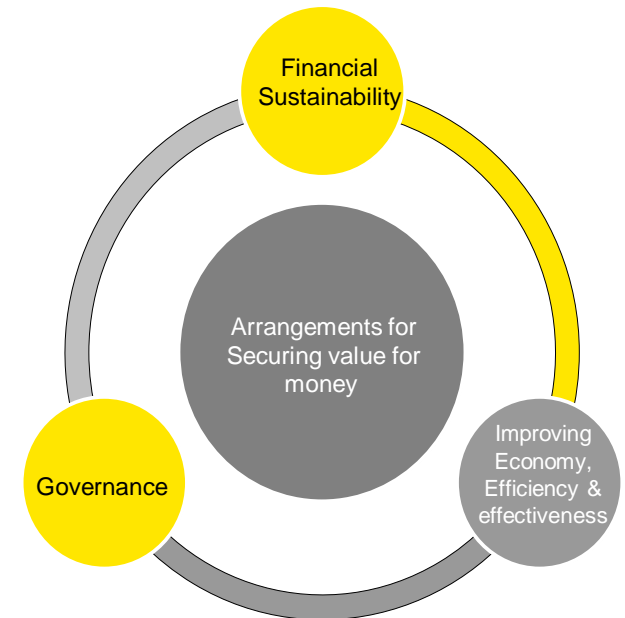
As part of the material published with its financial statements, the Council is required to bring together commentary on its governance framework and how this has operated during the period in a governance statement. In preparing its governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on its arrangements for securing value for money from their use of resources.

### Auditor responsibilities under the new Code

Under the 2020 Code we are still required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. However, there is no longer overall evaluation criterion which we need to conclude on. Instead the 2020 Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

- Financial sustainability  
How the Council plans and manages its resources to ensure it can continue to deliver its services;
- Governance  
How the Council ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness:  
How the Council uses information about its costs and performance to improve the way it manages and delivers its services.







## Value for money risks

### Planning and identifying VFM risks

The NAO's guidance notes require us to carry out a risk assessment which gathers sufficient evidence to enable us to document our evaluation of the Council's arrangements, in order to enable us to draft a commentary under the three reporting criteria. This includes identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations. This is a change to 2015 Code guidance notes where the NAO required auditors as part of planning, to consider the risk of reaching an incorrect conclusion in relation to the overall criterion.

In considering the Council's arrangements, we are required to consider:

- The Council's governance statement
- Evidence that the Council's arrangements were in place during the reporting period;
- Evidence obtained from our work on the accounts;
- The work of inspectorates and other bodies and
- Any other evidence source that we regard as necessary to facilitate the performance of our statutory duties.

We then consider whether there is evidence to suggest that there are significant weaknesses in arrangements. The NAO's guidance is clear that the assessment of what constitutes a significant weakness and the amount of additional audit work required to adequately respond to the risk of a significant weakness in arrangements is a matter of professional judgement. However, the NAO states that a weakness may be said to be significant if it:

- Exposes - or could reasonably be expected to expose - the Council to significant financial loss or risk;
- Leads to - or could reasonably be expected to lead to - significant impact on the quality or effectiveness of service or on the Council's reputation;
- Leads to - or could reasonably be expected to lead to - unlawful actions; or
- Identifies a failure to take action to address a previously identified significant weakness, such as failure to implement or achieve planned progress on action/improvement plans.

We should also be informed by a consideration of:

- The magnitude of the issue in relation to the size of the Council;
- Financial consequences in comparison to, for example, levels of income or expenditure, levels of reserves (where applicable), or impact on budgets or cashflow forecasts;
- The impact of the weakness on the Council's reported performance;
- Whether the issue has been identified by the Council's own internal arrangements and what corrective action has been taken or planned;
- Whether any legal judgements have been made including judicial review;
- Whether there has been any intervention by a regulator or Secretary of State;
- Whether the weakness could be considered significant when assessed against the nature, visibility or sensitivity of the issue;
- The impact on delivery of services to local taxpayers; and
- The length of time the Council has had to respond to the issue.



## Value for money risks

### Responding to identified risks

Where our planning work has identified a risk of significant weakness, the NAO's guidance requires us to consider what additional evidence is needed to determine whether there is a significant weakness in arrangements and undertake additional procedures as necessary, including where appropriate, challenge of management's assumptions. We are required to report our planned procedures to the audit committee.

### Reporting on VFM

In addition to the commentary on arrangements, where we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, the 2020 Code has the same requirement as the 2015 Code, in that we should refer to this by exception in the audit report on the financial statements.

However, a new requirement under the 2020 Code is for us to include the commentary on arrangements in a new Auditor's Annual Report. The 2020 Code states that the commentary should be clear, readily understandable and highlight any issues we wish to draw to the Council's attention or the wider public. This should include details of any recommendations arising from the audit and follow-up of recommendations issued previously, along with our view as to whether they have been implemented satisfactorily.

### Value for money (VFM) risk assessment

We have concluded our detailed VFM planning and risk assessment.

We have based our assessment on a combination of our cumulative audit knowledge and experience, our review of Committee reports and policies the Council has in place, meetings with key officers, and the evaluation of associated documentation through our regular engagement with Council management and the finance team.

As a result of this work, we have not identified any risks of significant weaknesses in the Council's arrangements. As a result we have no risk based procedures to carry out. We will revisit the risk assessment prior to issuing the audit opinion on the 2020/21 accounts and at this stage anticipate having no matters to report on VFM.

We plan to issue the VFM commentary, as required under the new Code, in January / February 2022, within our Auditor's Annual Report.

## **STATEMENT OF ACCOUNTS 2020/21**

**Report Author(s):** Rodney Fincham  
Assistant Director - Finance  
01508 533 982  
rfincham@s-norfolk.gov.uk

**Portfolio:** Finance

**Ward(s) Affected:** All

### **Purpose of the Report:**

To provide an update on the 2020/21 Statement of Accounts.

### **Recommendations:**

To note the progress with the 2020/21 Statement of Accounts.

## **1 Background**

- 1.1 Council Accounts normally need to be approved by the s151 officer by the end of May, and published by the end of July. However, due to Covid 19, the dates this year are:
- Approved by s151 Officer 31 July
  - Published 30 September
- 1.2 The Council's Draft Statement of Accounts were formally approved by the Assistant Director of Finance on 30<sup>th</sup> July 2020 (in line with the deadline) and were published on the Council's website.
- 1.3 The Accounts were available for public inspection from 2 August 2021 to 13 September 2021 inclusive. One request to inspect the Accounts was received from a journalist interested in Covid Business Grants and rent deferrals.

## **2 Current position**

- 2.1 The final external audit of the accounts by EY commenced on 12th July, with an aim to finish by mid-August. However it has not been possible to complete the audit within this audit window.
- 2.2 Due to audit resources being fully committed until December, completion of the SNC audit will now take place in late December 21 / January 22.
- 2.3 Delays have been experienced due to Covid impacts, resourcing levels and the authority having to prioritise undertaking the insurance tender.
- 2.4 The Council will fulfil its statutory requirements to publish its Statement of Accounts by 30<sup>th</sup> September. However, these will not be the final audited version and a statement to explain this will accompany these on the website.

## **3 Next Steps**

- 3.1 The external audit will recommence in Dec 21 / Jan 22 and once complete FRAG will need to receive and review the final audited Accounts together with the Audit Results report from EY.

## **4 Recommendations**

To note the progress with the 2020/21 Statement of Accounts.

## **Background papers**

None

## Eastern Internal Audit Services



South Norfolk Council

Progress Report on Internal Audit Activity

Period Covered: 29 June 2021 to 13 September 2021

Responsible Officer: Faye Haywood – Head of Internal Audit for South Norfolk Council

### CONTENTS

1. INTRODUCTION.....	2
2. SIGNIFICANT CHANGES TO THE APPROVED INTERNAL AUDIT PLAN .....	2
3. PROGRESS MADE IN DELIVERING THE AGREED AUDIT WORK .....	2
4. THE OUTCOMES ARISING FROM OUR WORK .....	2
5. PERFORMANCE MEASURES .....	3
6 PROPOSAL.....	3
7. RECOMMENDATIONS .....	3
APPENDIX 1 – PROGRESS IN COMPLETING THE AGREED AUDIT WORK.....	4

## 1. INTRODUCTION

- 1.1 This report is issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards also require the Chief Audit Executive to report to the Audit Committee on the performance of internal audit relative to its plan, including any significant risk exposures and control issues. The frequency of reporting and the specific content are for the Authority to determine.
- 1.3 To comply with the above this report includes:
  - Any significant changes to the approved Audit Plan;
  - Progress made in delivering the agreed audits for the year;
  - Any significant outcomes arising from audits; and
  - Performance Indicator outcomes to date.

## 2. SIGNIFICANT CHANGES TO THE APPROVED INTERNAL AUDIT PLAN

- 2.1 No significant changes have been made to the plan since its approval on 25<sup>th</sup> June 2021.

## 3. PROGRESS MADE IN DELIVERING THE AGREED AUDIT WORK

- 3.1 The current position in completing audits to date within the financial year is shown in **Appendix 1**.
- 3.2 In summary 23 days of programmed work has now been completed, equating to 15% of the Audit Plan for 2021/22.

## 4. THE OUTCOMES ARISING FROM OUR WORK

- 4.1 On completion of each individual audit an assurance level is awarded using the following definitions:

**Substantial Assurance:** Based upon the issues identified there is a robust series of suitably designed internal controls in place upon which the organisation relies to manage the risks to the continuous and effective achievement of the objectives of the process, and which at the time of our review were being consistently applied.

**Reasonable Assurance:** Based upon the issues identified there is a series of internal controls in place, however these could be strengthened to facilitate the organisation's management of risks to the continuous and effective achievement of the objectives of the process. Improvements are required to enhance the controls to mitigate these risks.

**Limited Assurance:** Based upon the issues identified the controls in place are insufficient to ensure that the organisation can rely upon them to manage the risks to the continuous and effective achievement of the objectives of the process. Significant improvements are required to improve the adequacy and effectiveness of the controls to mitigate these risks.

**No Assurance:** Based upon the issues identified there is a fundamental breakdown or absence of core internal controls such that the organisation cannot rely upon them to manage risk to the continuous and effective achievement of the objectives of the process. Immediate action is required to improve the controls required to mitigate these risks.

- 4.2 Recommendations made on completion of audit work are prioritised using the following definitions:

**Urgent (priority one):** Fundamental control issue on which action to implement should be taken within 1 month.

**Important (priority two):** Control issue on which action to implement should be taken within 3 months.

**Needs attention (priority three):** Control issue on which action to implement should be taken within 6 months.

- 4.3 In addition, on completion of audit work “Operational Effectiveness Matters” are proposed, these set out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services. These are for management to consider and are not part of the follow up process.
- 4.4 During the period covered by the report, no final Internal Audit reports have been issued. Quarter two work is being progressed and it is expected that all assigned work will be at draft stage by quarter two deadline of 14 October 2021.

## **5. PERFORMANCE MEASURES**

- 5.1 The Internal Audit Services contract includes a suite of key performance measures against which the TIAA will be reviewed on a quarterly basis. There is a total of 11 indicators, over 4 areas.
- 5.2 There are individual requirements for performance in relation to each measure; however performance will be assessed on an overall basis as follows:
- 9-11 KPIs have met target = Green Status.
  - 5-8 KPIs have met target = Amber Status.
  - 4 or below have met target = Red Status.

Where performance is amber or red a Performance Improvement Plan will be developed by TIAA and agreed with the Internal Audit Consortium Manager to ensure that appropriate action is taken.

Progress delays continue to be closely observed and regular meetings are held with the contractor to ensure that assigned work is completed in line with expectations and agreed timeframes. Achievement of performance measures will be reviewed following receipt of the first performance report, due 15 working days after the end of quarter 2.

## **6 PROPOSAL**

- 6.1 The Finance, Resources, Audit and Governance Committee are requested to receive and note the Progress Report. In doing so the Committee is ensuring that the Internal Audit Service remains compliant with professional auditing standards.

## **7. RECOMMENDATIONS**

- 7.1 That members note the progress made so far in completing the Internal Audit Plan for 2021/22.

## APPENDIX 1 – PROGRESS IN COMPLETING THE AGREED AUDIT WORK

Audit Area	Audit Ref	No. of days	Revised Days	Days Delivered	Status	Assurance Level	Recommendations				Date to Committee
							Urgent	Important	Needs Attention	Op	
<b>Quarter 2</b>											
Performance Management, Business Planning	SNC2202	10	10	1	APM issued on 19 August 2021, audit due to start 17 September 2021						
Corporate Health and Safety	SNC2205	8	8	2	APM issued 7 September 2021. Audit fieldwork stage.						
Counter Fraud and Corruption	SNC2206	8	8	4	APM issued on 28 July 2021. Audit fieldwork stage.						
COVID-19 Business Grants	SNC2210	8	8	6	APM issued on 22 July 2021. Testing concluded. Report due.						
<b>TOTAL</b>		<b>34</b>	<b>34</b>	<b>13</b>							
<b>Quarter 3</b>											
Annual Governance Statement	SNC2203	8	8	0							
Big Sky	SNC2204	10	10	1	APM issued 16 August, audit due to start 11 October 2021						
Accounts Receivable	SNC2207	10	10	1	APM issued 13 September 2021						
Income	SNC2208	8	8	1	APM issued 13 September 2021						
Accountancy Services	SNC2209	15	15	1	APM issued 13 September 2021						
<b>TOTAL</b>		<b>51</b>	<b>51</b>	<b>4</b>							
<b>Quarter 4</b>											
Key Controls and Assurance	SNC2201	15	15	0							
Homelessness & Housing Options	SNC2211	10	10	0							
Environmental Health	SNC2212	10	10	0							
<b>TOTAL</b>		<b>35</b>	<b>35</b>	<b>0</b>							
<b>IT Audits</b>											
Cyber Security	SNC2213	10	10	0							
Disaster Recovery	SNC2214	10	10	0							
<b>TOTAL</b>		<b>20</b>	<b>20</b>	<b>0</b>							
<b>Follow Up</b>											
Follow Up	N/A	12	12	6							
<b>TOTAL</b>		<b>12</b>	<b>12</b>	<b>6</b>							
<b>TOTAL</b>		<b>152</b>	<b>152</b>	<b>23</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Percentage of plan completed</b>				<b>15%</b>							



## Eastern Internal Audit Services



### SOUTH NORFOLK COUNCIL

#### Follow Up Report on Internal Audit Recommendations

Period Covered: 1 April 2021 to 13 September 2021

Responsible Officer: Head of Internal Audit for South Norfolk Council

#### CONTENTS

1. INTRODUCTION	2
2. STATUS OF AGREED ACTIONS	2
3. PROPOSAL	3
4. RECOMMENDATION	3
APPENDIX 1 – STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS	4
APPENDIX 2 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2020/21	5

## 1. INTRODUCTION

- 1.1 This report is being issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards also require the Chief Audit Executive to establish a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action. The frequency of reporting and the specific content are for the Authority to determine.
- 1.3 To comply with the above this report includes the status of agreed actions.

## 2. STATUS OF AGREED ACTIONS

- 2.1 As a result of audit recommendations, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Contractor on a regular basis and reported through to this Committee. Verification work is also undertaken for those recommendations that are reported as closed.
- 2.2 **Appendix 1** to this report shows the details of the progress made to date in relation to the implementation of the agreed recommendations. This appendix also reflects the year in which the audit was undertaken and identifies between outstanding recommendations that have previously been reported to this Committee and then those which have become outstanding this time round.
- 2.3 A total of 47 recommendations were raised in 2019/20, 45 have been completed, 2 needs attention recommendations are outstanding.

Number raised to date	47	
Complete	45	96%
Outstanding	2	4%

- 2.4 A total of 42 recommendations were raised in 2020/21, 26 have been completed so far. A total of six important and four needs attention recommendations are outstanding. A total of six are within deadline.

Number raised	42	
Complete	26	62%
Outstanding	10	24%
Within deadline	6	14%

- 2.5 Management are making good progress in resolving raised by internal audit work. We continue to work with CMLT to ensure that outstanding recommendations are closed, highlighting those that have surpassed their deadline dates.

**3. PROPOSAL**

- 3.1 The Finance, Resources, Audit and Governance Committee are asked to receive and note the year end position in relation to the completion of agreed audit recommendations.

**4. RECOMMENDATION**

- 4.1 That members note the position in relation to the completion of agreed internal audit recommendations as at 13 September 2021.

## APPENDIX 1 – STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS

			Completed bt 1 April 2021 and 13 September 2021			Previously reported to Committee as outstanding			(New) Outstanding			Total Outstanding	Not Yet Due for implementation		
Audit Ref	Audit Area	Assurance Level	Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3		Priority 1	Priority 2	Priority 3
<b>2019/20 Internal Audit Reviews</b>															
SNC2001	Big Sky	Reasonable			3							0			
SNC2006	Corporate Governance	Reasonable						1				1			
SNC 2008/9	Income and Accounts Receivable	Reasonable						1				1			
<b>2020/21 Internal Audit Reviews</b>															
SNC2102	Corporate Governance	Reasonable			1							0			2
SNC2103	Accounts Payable	Reasonable			1					1		1			
SNC2105	Housing Benefit and Ctax Support	Reasonable			3					1		1			1
SNC2104	HR and Payroll	Reasonable			4					3	1	4			
SNC2106	Council Tax and NNDR	Reasonable			5						1	1		1	1
SNC2111	Service Desk	Reasonable			1					1	1	2			
SNC2112	Remote Access	Reasonable		1	1						1	1		1	
<b>TOTALS</b>			<b>0</b>	<b>1</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>4</b>	<b>12</b>	<b>0</b>	<b>2</b>	<b>4</b>

## APPENDIX 2 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2020/21

Job	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
SNC2103 Accounts Payable	Recommendation 2: The Councils are to publish data on payments to suppliers within the 30 days, in accordance with the Public Contracts Regulations 2015.	2	Agreed.	Assistant Director of Finance	31/05/2021	30/09/2021	Outstanding	Due to staff shortages in the team, the deadline has been extended to 30/09/2021, as requested by AD of Finance. This will allow for vacancies to be filled to ensure there is capacity to deliver this recommendation.
SNC2105 Housing Benefit and Ctax Support	Recommendation 4: Errors identified in quality checks to be analysed for trend analysis, to identify underlying causes, with appropriate action taken to rectify, across both South Norfolk and Broadland Councils.	2	Agreed.	Assistant Director of Individuals and Families	30/06/2021	N/A	Outstanding	Verified as complete, verification of evidence by Internal Audit required.
SNC2104 HR and Payroll	Recommendation 1: Monthly payroll checklists be signed and dated as each task is completed.	2	Agreed.	Chief of Staff	30/06/2021	31/10/2021	Outstanding	The pre-payroll checklists have been received by the Internal Audit team and signed off as complete. The deadline for this recommendation has been extended to 31/10/2021, to allow for necessary changes to be implemented to the post-payroll checklists too.
SNC2104 HR and Payroll	Recommendation 3: The audit trail in the payroll system be improved so that it is possible to view the authorisation details for all claims submitted, including the authorising officer and the dates submitted and authorised.	2	Agreed.	Chief of Staff	30/06/2021	31/01/2022	Outstanding	There will be a new HR system, 'Oracle', implemented over the next few months. It has already been requested that relevant steps are taken to ensure the needs of the recommendation are met by the new system, and therefore, the deadline for this recommendation has been extended to 31/01/2022 to allow for these changes to be made.

Job	Recommendation	Priority	Management Comments	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
SNC2104 HR and Payroll	Recommendation 4: Confirmation of eligibility to drive be obtained on a regular basis, through a declaration from drivers when submitting mileage claims.	2	Agreed.	Chief of Staff	30/06/2021	31/01/2022	Outstanding	There will be a new HR system, 'Oracle' implemented over the next few months, which will allow for these changes to be made. Extension therefore requested to allow for enough time for these changes to be made.
SNC2111 Service Desk	Recommendation 1: ICT management do develop appropriate management information to be reported on a periodic basis as a reporting package. We suggest that the pack contain, but not necessarily be limited to, the following subject areas: - Resource effectiveness and strategic resource projections; - Actual service delivery compared to targets set out in the SLA. SLA target to be reviewed and improved over time as actual experiences dictate; Recommendations for service improvements, to include a rationale for raising them. Rationales may include trends in customer satisfaction that may need to be addressed – see below. Challenges faced by the service; Metrics setting out the nature and number of calls being received over time; Results of periodic customer satisfaction surveys and noted scoring trends over time; Any challenges being faced by customer use of the service desk; Metrics on any incident trends for problem management purposes.	2	Agreed.	Assistant Director of ICT/Digital and Transformation	30/06/2021	30/11/2021	Outstanding	It is currently in progress, as raw data is being produced which provides some of the information needed for management. However, more work needs to be done on this to ensure this is turned into a full management reporting package.

**FRAG Committee Work Programme**

24 September	Audit Plan Addendum – VFM Risk Assessment Final Statement of Accounts 2020-21 Progress Report on Internal Audit Activity Internal Audit Follow Up Report	External Audit Rodney Fincham/Julie Brown Faye Haywood Faye Haywood
4 February	Audit Results Report 2020-21 Opting into PSAA External Auditor Appointment Progress Report on Internal Audit Activity Internal Audit Follow Up Report Annual Report of FRAG Committee Self Assessment of the FRAG Committee Strategic Risk Register Rules of Financial Governance Review of Local Government Ombudsman 2021	External Audit Rodney Fincham Faye Haywood Faye Haywood Emma Hodds Faye Haywood Sinead Carey Rodney Fincham Chrissie Baldwin
25 March	Strategic and Annual Internal Audit Plans 2022/23 External Audit Plan 2022/23	Faye Haywood External Audit