

AUDIT COMMITTEE

Date and Time :- Tuesday 11 January 2022 at 2.00 p.m.
Venue:- Virtual via Microsoft Teams
Membership:- Councillor Baker-Rogers (Chair); Councillors Barley, Browne (Vice-Chair), Wilson and Wyatt
Mr. J. Barber, Independent Member

The business which will be discussed are described on the agenda below and there are reports attached which give more details.

Rotherham Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair or Governance Advisor of their intentions prior to the meeting.

AGENDA

1. Apologies for Absence

To receive the apologies of any Member who is unable to attend the meeting.

2. Declarations of Interest

To receive declarations of interest from Members in respect of items listed on the agenda.

3. Exclusion of the Press and Public

The following items are exempt from the press and public:-

Agenda Item 11 Corporate Risk Register - Appendix
(Exempt under Paragraph 3 (Financial Information) of Part 1 of Schedule 12(A))

Agenda Item 12 Finance and Customer Services Risk Register
(Exempt under Paragraph 3 (Financial Information) of Part 1 of Schedule 12(A))

Therefore, when considering these items, the Chair will move the following resolution:-

That under Section 100(A) 4 of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12(A) of such Act indicated, as now

amended by the Local Government (Access to Information) (Variation) Order 2006 (financial information).

4. Matters of Urgency

To consider if there are any additional matters of urgency.

5. Questions from Members of the Public or the Press

To receive questions relating to items of business on the agenda from members of the public or press who are present at the meeting.

6. Minutes of the previous meeting held on 30th November, 2021 (Pages 5 - 14)

To consider and approve the minutes of the previous meeting held on 30th November, 2021, as a true and correct record of the proceedings.

7. Update from External Auditors

8. External Inspections, Reviews, and Audits Update (Pages 15 - 38)

9. Internal Audit Progress Report (Pages 39 - 56)

10. Audit Committee Forward Plan (Pages 57 - 65)

11. Corporate Strategic Risk Register (Pages 66 - 78)

12. Finance and Customer Services Directorate Risk Register (Pages 79 - 85)

13. Items for Referral for Scrutiny

To consider the referral of matters for consideration by the Overview and Scrutiny Management Board.

14. Date and time of next meeting

The next meeting of the Audit Committee will be held on Wednesday, 15th March, 2022, commencing at 2.00 p.m. in Rotherham Town Hall.



SHARON KEMP,
Chief Executive.

KEEP SAFE WHILE VISITING RIVERSIDE HOUSE AND THE TOWN HALL



HOUSE KEEPING TIPS

- Meeting rooms and the Council Chamber will be sanitised before and after every meeting.
- Follow the one-way systems in place.
- Only one person (and their carer) should use a lift at a time.
- You're advised to take LFD tests at home, regularly if you don't have symptoms. **Visit the Council's website for details of where and how to get free LFD tests.**
- If you have any **symptoms of COVID-19**, you must self-isolate at home and book a PCR test. **Visit the Council's website for details of how to book a PCR test.**

Further information about COVID-19 can be found at
www.rotherham.gov.uk/coronavirus

www.rotherham.gov.uk/coronavirus

AUDIT COMMITTEE
30th November, 2021

Present:- Councillor Baker-Rogers (in the Chair); Councillors Browne and Mr. J. Barber (Independent Person).

Messrs. G. Mills and Thilina De Zoya (Grant Thornton) were also in attendance.

Apologies for absence were received from Councillor Barley, Wilson and Wyatt.

49. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for Minute No. 63 (Internal audit Progress Report – Appendix C), and Minute No. 66 (Regeneration and Environment Directorate Risk Register Appendix) as they involve the likely disclosure of exempt information as defined in Paragraphs 3 (financial information) and 7 (information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime) of Part 1 of Schedule 12A to the Local Government Act 1972.

50. MATTERS OF URGENCY

There were no items of urgency to be considered.

51. MINUTES OF THE PREVIOUS MEETING HELD ON 30TH SEPTEMBER, 2021

Consideration was given to the minutes of the previous meeting of the Audit Committee held on 30th September, 2021.

Resolved:- That the minutes of the previous meeting of the Audit Committee be approved as a correct record of proceedings.

52. DECLARATIONS OF INTEREST

There were no Declarations of Interest made at the meeting.

53. QUESTIONS FROM MEMBERS OF THE PUBLIC OR THE PRESS

There were no members of the public or press present at the meeting.

54. STATEMENT OF ACCOUNTS - EXTERNAL AUDIT REPORT ISA260

Further to Minute No. 38 of the meeting held on 30th September, 2021, consideration was given to the ISA260 presented by Gareth Mills, on behalf of Grant Thornton. As previously reported, the final publication had been delayed due to national issues with public sector audit requirements.

Due to the Value for Money (VFM) work having not yet been completed, Grant Thornton were not in a position to issue the Auditor's Annual Report. It was expected to issue this before the end of February 2022, in line with the National Audit Office's revised deadlines requiring the Auditor's Annual Report (AAR) to be issued no more than 3 months after the date of the opinion on the financial statements.

The audit of the Council's financial statements had been substantially completed and, subject to the outstanding queries being resolved, it was anticipated issuing an unqualified (clean) audit opinion by 30th November, 2021.

One possible risk of significant weakness had been identified in relation to the Dedicated Schools Grant deficit position. Further procedures had been performed in respect of this risk and consideration given to the Council's arrangements in place, actions being taken to address the deficit and the Council's engagement with relevant key stakeholders. It had been concluded that there was no residual risk of significant weakness at the time of Grant Thornton's financial statement audit opinion date. Further work on this matter and reporting would be captured in the AAR.

The report also highlighted:-

- No issues identified in respect of management override of controls
- One immaterial disclosure error but had no impact on the Council's useable Reserves and management had amended the accounts to correct this
- Valuation of pension fund net liability as reported at the previous meeting
- No issues identified in respect of management key judgements and estimates made by management

The ISA260 also confirmed that working papers were of a high standard and the audit queries were dealt with in a timely and efficient manner.

Discussion ensued with the following issues raised/clarified:-

- The DSG position would be considered in more detail as part of the VFM work which looked at the arrangements in place regarding governance in terms of how the DSG position was being managed and monitored. However, Grant Thornton was acutely aware of the situation in Rotherham and the active engagement with stakeholders
- It was hoped to meet the 30th September 2022 deadline but it was still a challenge for public sector audit
- It was hoped to sign off the audit on 30th November but if not 3rd December at the latest.
- It was hoped the VFM audit could be issued in January 2022

Resolved:- That, having taken due regard of the External Audit findings detailed within the ISA260 report, the 2020/21 audited Statement of Accounts, as submitted at Appendix 2, be approved for publication as final and the 2020/21 Narrative Report (Appendix 3) be signed and approved for publication as final.

55. ESTIMATION TECHNIQUES

Rob Mahon, Head of Corporate Finance, presented for information a series of slides which informed the audit risk assessment for the Council for the 2020/21 External Audit.

The slides illustrated the two-way communication between the Council's External Auditors and the Audit Committee as 'those charged with governance'. They also covered some of the important areas of the auditor risk assessment where the External Auditor was required to make inquiries of the Audit Committee under auditing standards.

As part of the assessment procedures, the External Auditor was required to obtain an understanding of management processes and the Council's oversight of:-

- General Enquiries of Management
- Fraud
- Laws and Regulations
- Related Parties
- Accounting Estimates

It was noted that the questions posed by Grant Thornton were in line with the revised Auditing Standards. The Council's Finance Team had responded to the questions and set out how they had arrived at their estimations and judgement. For the 2021/22 accounts, this paper would be submitted prior to the Statement of Accounts to enable the Committee to have sight of the questions and responses.

Resolved:- (1) That the report be noted.

(2) That future reports include a commentary as to whether the responses provided by the Council's Finance Team were satisfactory to the External Auditor.

56. EXTERNAL AUDIT RE-PROCUREMENT

Rob Mahon, Head of Corporate Finance, presented a report on the re-procurement of External Audit. The Council's current External Auditor was Grant Thornton under a contract managed by Public Sector Audit Appointments Limited (PSAA). This contract would expire at the end of the 2022/23 financial year.

The report set out the options available for the future procurement of the external audit function:-

- The Council could continue to take part in the national procurement undertaken by PSAA
- Procure individually
- Seek to carry out a joint procurement along with (probably) neighbouring local authorities and/or the Sheffield City Region

The report highlighted the advantages and disadvantages of each of the 3 options.

If the Council was to remain within the PSAA national procurement scheme, the deadline for opting into this process was Friday, 11th March, 2022.

Resolved:- (1) That the option to continue to take part in the national procurement undertaken by Public Sector Audit Appointments Limited (PSAA) be the preferred option for the re-procurement of the External Audit function.

(2) That the report be referred to Council for approval.

57. MID-YEAR TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS MONITORING REPORT - 2021/22

Consideration was given to the report presented by Rob Mahon, Head of Corporate Finance, outlining the mid-year treasury review which also incorporated the needs of the Prudential Code to ensure adequate monitoring of the capital expenditure plans and the Council's Prudential Indicators.

The review, as set out in the Appendix submitted, provided detail of mid-year performance against the plan, the key changes to the Council's capital activity (the PIs) and the actual and proposed treasury management activity (borrowing and investment).

With regard to investments, the primary governing principle remained security over return and the criteria for selecting counterparties continued to reflect this.

The Council would maintain its strategy of being under-borrowed against the capital financing requirement. Whilst the Council would continue to utilise the short term borrowing strategy to maximise savings within Treasury Management, the opportunity had arisen during the first half of 2021/22 to access some long term (50 years) PWLB rates. During July and August, 2021, £120M of long term PWLB borrowing was taken (£100M General Fund at 1.54%, £10M HRA at 1.81%, £10M HRA at 1.86%). This was to take advantage of the low PWLB borrowing rates available at the time and would be used to replace short term borrowing

as it matured. The borrowing position would remain under review and an update of the Strategy would be submitted to Members within the Budget and Council Tax 2022/23 report to Council in March 2022.

All governance, strategies and monitoring were undertaken by the Audit Committee.

The report illustrated how the underlying economic and financial environment remained difficult for the Council, foremost being the improving, but still challenging, concerns over investment counterparty risk. This background encouraged the Council to continue maintaining investments short term and with low risk counterparties; the downside of such a policy being that investment returns remained low. This situation had been further exacerbated by the economic impact of the Covid-19 pandemic, that had seen the Bank of England base rate fall to 0.1%.

The Council's use of long term PWLB borrowing would result in the level of short term borrowing gradually falling as short term borrowing matured. With long term borrowing rates forecast to rise over the next 3 years, this strategy had taken advantage of historically low long term borrowing rates. This provided certainty of borrowing costs and mitigated the risk of borrowing having to be taken in the future at potentially higher rates. In the short term the cost of borrowing would increase as the long term borrowing was at a higher rate than the short term borrowing it was replaced though this impact was factored into the Council's financial monitoring position.

PWLB rates fluctuated; during 2021/22 to date the rates had seen highs of 2.3% for a 50 year PWLB loan and lows of 1.5%. The immediate impact of this had seen short term borrowing falling to as little as 0.3% for 6 months. This had allowed the Council to make greater short term borrowing savings than anticipated whilst always being able to soak up additional interest rate costs of taking long term borrowing at the significantly low levels sooner than planned.

The Council continued to keep interest rates under constant review within its borrowing strategies and decisions on the mix of long term and short term borrowing.

It was confirmed that the basis of the Treasury Management Strategy, the Investment Strategy and the PIs (aside from the under 12 months indicator referenced above) had not changed from that set out in the approved Treasury Management Strategy (March 2021).

Resolved:- That the report be noted.

58. CODE OF CORPORATE GOVERNANCE

David Webster, Head of Internal Audit, submitted the refreshed Council Code of Corporate Governance for consideration. It was presented at the meeting by Simon Dennis, Corporate Improvement and Risk Manager. There had been no new revisions to the CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) guidance on delivering good governance in local government. However, it was good practice to review and revise the Council Code on an annual basis.

An annual review of the Code had been completed to ensure it remained up-to-date and relevant to the Council. Amendments had been made to include relevant elements of the Council's response to the COVID-19 pandemic as it had developed as well as other minor amendments where necessary.

The 7 key principles set out in the guidance which underpinned the governance of each local government organisation had not changed. The Rotherham Code followed each of the principles and demonstrated how they were applied and evidenced in practice.

Resolved:- That the refreshed version of the Code of Corporate Governance be approved.

59. ANNUAL GOVERNANCE STATEMENT

David Webster, Head of Internal Audit, presented the Annual Governance Statement (AGS) for approval. The draft AGS had been presented to the Committee in July 2021 for the 2020/21 financial year and was published with the Council's financial statements. It was further reviewed at the 30th September Committee meeting and published with the Council's financial statements, however, at that time the External Auditors, Grant Thornton, had not concluded their review of the AGS. That review was now complete with the few points raised resulting in minor amendments to the AGS.

The full AGS was attached as Appendix A.

Resolved:- (1) That the 2020-21 Annual Governance Statement be approved.

(2) That the requirement for the Leader and Chief Executive to sign the Statement prior to the publication of the Annual Governance Statement be noted.

60. RISK MANAGEMENT STRATEGY AND POLICY

Further to Minute No. 48 of the meeting held on 26th November, 2019, Simon Dennis, Corporate Risk Manager, submitted proposed minimal changes to the Risk Policy and Strategy.

The changes to the Policy and Guide were minor and mainly to improve clarity of information for users. The last extensive refresh of the Policy and Guide was undertaken in 2018.

In the course of the coming year, work would continue to ensure the Council's approach to risk management was well embedded across all projects and all staff, by providing training, clear guidance, supporting the Risk Champions and reporting according to agreed timelines.

Resolved:- (1) That the revised Risk Policy and Strategy be approved.

(2) That future reports include reference to the International Standard of Risk Management in the list of background papers.

61. IG/GDPR ANNUAL REPORT 2020/21

Consideration was given to an update and annual report presented by Paul Vessey, Head of Information Management, on the Council's compliance with the General Data Protection Regulation (GDPR) and the Data Protection Act (DPA).

Monitoring of the Council's compliance with GDPR and DPA was carried out by the Corporate Information Governance Group (CIGG) which had representatives from all Directorates and Chaired by the Council's Senior Information Risk Officer (SIRO). Any risks relating to Information Governance, including GDPR and Data Protection were monitored on a regular basis by the group. Risks and actions were logged and reviewed at CIGG meetings and, if necessary, escalated in line with the Council's risk management processes.

The key issues were:-

- Maintain compliance
Compliance with Data Protection principles was a continuous project
CIGG fulfilled a core function in monitoring and overseeing information risks
Regularly monitored the effectiveness of the Council's Data Protection Policies and each Directorate's Information Governance and Data Protection processes
- Monitor performance of Freedom of Information (FOI) and Right of Access requests
Slight increase in the number of FOIs completed on time – 87% 2019/20 91% 2021/21

Decrease in the number of Right of Access Requests (ROARs) received – 188 (2019/20) 162 (2020/21) but also decrease in the number completed on time (64%-43%)

Appendix 1 of the report submitted provided performance for the last 4 financial years.

Discussion issued with the following issues raised/clarified:-

- Performance would continue to be closely monitored with the focus on improvement
- Requests varied substantially in complexity and workload making analysing, allocating resources and forecasting problematic. In practical terms this meant that until a request was received, it could not be known how long it would take to complete
- Joint requests for information were a cause for concern and work was taking place on how the process could be improved for determining which Directorate was to provide the response
- An audit had been undertaken of the figures to provide assurance that the processes in place in terms how ROARs were dealt with were robust. It was found that delays in service had arisen mostly due to the complexity of cases, pressures on service and the pandemic. The outcomes of the report were being worked through
- A monthly reporting process had been activated
- FOI requests could be turned down if they were vexatious and/or other reasons. The number of these were not currently captured in the information presented
- There was no bench marking with other authorities

Since the last report submitted on 26th November, 2019 (Minute No. 48 refers), all outstanding tasks had been completed and all required policies and processes for compliance with GDPR and DPA were now in place and embedded within the organisation. It was now the responsibility of all Directorates and Service areas to comply with the Council's Data Protection policies and procedures.

Resolved:- (1) That the General Data Protection Regulation annual report 2019/20 be noted.

(2) That the legal requirement of the Council continuing its maintenance of its Information Governance policies and processes in compliance with legislation be noted.

(3) That future reports include the number of Freedom of Information requests refused and any breaches of the GDPR Regulations.

62. INTERNAL AUDIT PROGRESS REPORT

Consideration was given to a report presented by David Webster, Head of Internal Audit, which provided a summary of Internal Audit work completed during 1st September to 31st October, 2021, and the key issues that had arisen therefrom. The current position of the plan was outlined in Appendix A to the report.

Six audits had been finalised since the last Committee meeting of which one had received Partial Assurance and 5 Reasonable/Substantial Assurance as set out in Appendix B to the report.

Internal Audit also carried out unplanned responsive work and investigations into any allegations of fraud, corruption or other irregularity. There had been 3 reports of this type issued since the last meeting (Appendix C).

Internal Audit's performance against a number of indicators was summarised in Appendix D. Target performance was almost achieved in March but was affected by sickness within the Team, however, all other indicators had been achieved in June to August.

Appendix E showed the number of outstanding recommendations that had passed their original due date, age rated. The number of outstanding actions currently stood at 3 all of which were due to be completed by the end of the month.

The previous issue of a high number of outstanding actions had already been resolved through the actions of the Chief Executive and Strategic Leadership Team who had been very supportive.

Resolved:- (1) That the Internal Audit work undertaken since the last Audit Committee, 1st September to 31st October, 2021, and the key issues that have arisen from it be noted.

(2) That the information contained regarding the performance of Internal Audit and the actions being taken by management in respect of their performance be noted.

(3) That Appendix D of the report be updated to reflect the comments made at the meeting for future reports.

(Appendix C was considered in the absence of the press and public in accordance with Paragraph 7 of the Act – information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime)

63. AUDIT COMMITTEE FORWARD WORK PLAN

Consideration was given to the proposed forward work plan for the Audit Committee covering the period January to November, 2022.

It was noted that the Strategic Risk Register and Annual Report (Value for Money) would not be considered at the January meeting.

Resolved:- That the Audit Committee forward work plan, as now submitted, be approved.

64. ITEMS FOR REFERRAL FOR SCRUTINY

There were no items for referral.

65. REGENERATION AND ENVIRONMENT DIRECTORATE RISK REGISTER

Paul Woodcock, Strategic Director Regeneration and Environment, supported by Simon Moss (Planning, Regeneration and Transport), presented a report providing details of the Risk Register and risk management activity within the Regeneration and Environment's Directorate.

2 of the 19 risks also feature on the Council's Strategic Risk Register i.e.

- To Maintain a Safe and Operational Property Estate
- Achieving Economic Growth

Discussion ensued with the following issues raised:-

- Some of the risks were not within the Council's overall control
- Tree replacement consisted of native and non-native species dependent upon their location and ability to cope with local conditions
- Cautionary approach taken to the safe delivery of events in the Borough

Resolved:- That the progress and current position in relation to risk management activity in the Regeneration and Environment Directorate, as detailed in the report now submitted, be noted.

66. DATE AND TIME OF NEXT MEETING

Resolved:- That a further meeting of the Audit Committee be held on Tuesday, 11th January, 2022, commencing at 2.00 p.m. in Rotherham Town Hall.

**Public Report****Audit Committee**

Committee Name and Date of Committee Meeting:

Audit Committee – 11th January 2022

Report title:

External inspections, reviews, and audits update

Is this a Key Decision and has it been included in the Forward Plan?

No

Strategic Director Approving Submission of the Report:

Jo Brown – Assistant Chief Executive

Report Author(s):

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Ward(s) Affected:

All

Report Summary:

In line with the Audit Committee terms of reference, the purpose of this report is to provide details of the recent external inspections, reviews and audits as well as to provide assurance that outstanding recommendations from earlier inspections, audits and reviews, are being progressed.

The report provides a summary of progress against the recommendations from all external inspections, reviews and audits and sets out the details of arrangements for ensuring the accountability and governance around their implementation.

Recommendations:

That Audit Committee:

- Note the recent external inspections, reviews and audits which have taken place and the progress made relating to ongoing recommendations

- Note the governance arrangements in place for monitoring and managing the recommendations
- Continue to receive regular reports.

List of Appendices Included:

None

Background Papers

External audit and inspection recommendations reports to Audit Committee on 18th June 2019, 26th November 2019, 18th August 2020, 19th January 2021 and 29th July 2021.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

External audits, inspections and reviews update

1. Background

- 1.1 In line with the Audit Committee terms of reference, the purpose of this report is to provide details of the recent external inspections, reviews and audits across the Council and assurance that outstanding recommendations, relating to those that have taken place previously, are being progressed.
- 1.2 The last report was presented to Audit Committee on 29th July 2021. The report referred to:
- Six external inspections, reviews and audits that had taken place since 19th January 2021, resulting in fourteen recommendations (twelve had been implemented, two remained ongoing and the outcome of one of the external audits conducted was not yet known).
 - In addition, out of the 23 ongoing recommendations relating to external inspections, reviews and audits that took place prior to January 2021, eight had been implemented and fifteen remained outstanding or ongoing.

2. Key issues

- 2.1 This report provides an overview of key areas of concern relating to external inspections, reviews, and audits, including action taken or to be taken and the associated governance arrangements. This is intended to provide the Audit Committee with assurance that appropriate arrangements are in place for managing the Council's response, in line with the Audit Committee's responsibilities.
- 2.2 Since 29th July 2021, thirteen external inspections, reviews and audits have taken place and twenty-five recommendations made, eighteen of which have been implemented. Five are ongoing/outstanding and two do not require action. The outcome is not yet known for one of the external audits conducted.
- 2.3 In addition, three of the ongoing recommendations relating to external inspections, reviews and audits that took place prior to July 2021 have now been implemented, and eleven remain either ongoing or outstanding.
- 2.4 An update from each Directorate is provided below.

3. Children and Young People's Services

- 3.1 Three inspections have taken place since the last report which made twelve recommendations in total. Eight of these have been implemented and four remain outstanding. Further details are provided in paragraph 3.4.
- 3.2 There are eight outstanding recommendations from external inspections, reviews and audits that took place prior to July 2021. Since the last report, no outstanding recommendations have been implemented, but implementation work is progressing.
- 3.3 The eight outstanding recommendations relate to the:

- Ofsted Focused Visit (focused on permanence planning and achieving permanence) conducted in March 2019,
- Troubled Families review in June 2019,
- Youth Offending Inspection in September 2020 and
- Ofsted Focused Visit in October 2020.

3.4 The table below provides a summary of new external inspections, reviews and audits (taken place since July 2021).

New external inspections reviews and audits					
Title	Date	Outcome	Number of recommendations	Number implemented	Status
Joint Area SEND Inspection (<i>Ofsted and CQC</i>)	5 th -9 th July 2021	No formal overall outcome from the inspection. A letter providing four recommendations has been published.	4 areas of concern: <ul style="list-style-type: none"> • Variability in the quality of Education, Health and Care plans, including the contribution of health and social care partners. • Effectiveness of the graduated response to identify and meet children and young people's needs, especially in key stages 1 and 2. • Quality of provision for children and young people's preparation for, and transition to, adulthood. • Communication with all parents and carers of children and young people with SEND about the local offer, and the accessibility of the very valuable information included within the local offer. 	0	4 recs outstanding Work ongoing to publish Written Statement of Action by January 2022 deadline.
Inspection of Beech Tree House new children's home (<i>Ofsted</i>)	July 2021	Overall rating of 'Good'. A report detailing the findings was published in August 2021.	5 requirements and 1 recommendation 1. Care planning standard: Ensuring Education, Health and Care Plans received and coordinated transition plan in	6	Complete – 6 requirements/recommendations addressed within three months.

			<p>place with adult services</p> <p>2. Protection of children recognition of Local Authority Designated Officer (LADO): Notification of all allegations to progress to LADO and all agency staff to read risk assessments</p> <p>3. Leadership and management: Ensuring sufficient staff to support continuity of care, to support staff development and reduce need for agency staff</p> <p>4. Recording of complaints and subsequent investigations should be completed</p> <p>5. Risk management should support continuing professional development, linked to Mental health and handling disclosures</p> <p>6. Recommendation – replace stair carpet</p>		
Liberty House short breaks service for children (<i>Ofsted</i>)	August 2021	Overall rating of Outstanding. A report detailing the findings was published in August 2021	<p>1 requirement and 1 recommendation</p> <p>1. Leadership and Management in relation to timely documentation being progressed and staffing levels to support home manage to full capacity</p> <p>2. Quality of care report (reg 45) should be submitted every 6 months</p>	2	Complete – 2 requirements/recommendations addressed month after the inspection.

3.5 Joint Area Special Educational Needs and/or Disabilities (SEND) inspection (*Ofsted and CQC*)

3.5.1 Between 5th – 9th July 2021 Ofsted and the Care Quality Commission conducted a joint inspection of the local area of Rotherham to judge the effectiveness of the area in implementing the Special Educational Needs and/or Disabilities (SEND) reforms as set out in the Children and Families Act 2014.

3.5.2 A letter detailing the findings was published on 19th October 2021. This identified four areas of concern and requested a Written Statement of Action to respond to the concerns, to be submitted by 22nd January 2022.

3.5.3 The 4 areas of concern were:

- The variability in the quality of Education, Health and Care plans, including the contribution of health and social care partners
- The effectiveness of the graduated response to identify and meet children and young people's needs, especially in key stages one and two
- The quality of provision for children and young people's preparation for, and transition to, adulthood
- Communication with all parents and carers of children and young people with SEND about the local offer, and the accessibility of the very valuable information included within the local offer.

3.5.4 Work has begun to address these areas. As required in the letter, a Written Statement of Action (WSOA) is currently being jointly developed with the Clinical Commissioning Group (CCG), which will be submitted to the inspectorate by the deadline of the 22nd January 2022. This will formally set out the actions and timelines that will be undertaken to address the areas of concern.

3.5.5 Formal internal governance arrangements are in place to review and challenge progress made against the actions. An executive board is being developed to hold accountability of WSoA and four key workstreams established, which will each have a lead to drive forward the action plans for each of areas identified. In addition, regular monitoring visits will be undertaken by the Department for Education to review and support progress.

3.6 Inspection of Beech Tree House new children's home (*Ofsted*)

3.6.1. An Ofsted inspection took place in July 2021 of newly opened Beech Tree House, which provides in-house residential care and accommodation for up to two children with social, emotional and/or behavioural difficulties. A report detailing the findings was published in August 2021 and the service received an overall rating of 'Good'.

3.6.2. Five requirements and one recommendation were made, and they have all been implemented:

- Care planning standard: Ensuring Education, Health and Care Plans received and coordinated transition plan place with adult services - completed July 21

- Protection of children recognition of Local Authority Designated Officer (LADO): Notification of all allegations to progress to LADO and all agency staff to read risk assessments – completed July 21
- Leadership and management: Ensuring sufficient staff to support continuity of care, to support staff development and reduce need for agency staff – completed September 2021
- Recording of complaints and subsequent investigations should be completed – completed August 2021
- Risk management should support continuing professional development, linked to mental health and handling disclosures – completed September 2021
- Recommendation: replace stair carpet – completed September 2021

3.6.3. All requirements and recommendations were addressed within three months of the inspection, including a clear plan of how to make the best use of the staff recruited to support staffing challenges in other homes. The changes made have reduced reliance on agency staff and helped the home to settle and progress.

3.6.4. Regular residential service meetings are held, and an action plan is in place which is reviewed monthly to track progress and impact of any inspection or quality assurance activity.

3.6.5. Monthly independent visits offer additional oversight to the implementation and continued practice in the homes and these actions will be included as part of their coming visits. The operation's manager oversees the actions from the inspections to ensure any lessons learned are implemented where relevant in all the children's homes.

3.7 Inspection of Liberty House short breaks service for children (Ofsted)

3.7.1. An Ofsted inspection took place in August 2021. A report detailing the findings was published in the same month and the service received an overall rating of 'Outstanding'.

3.7.2. One recommendation and one requirement were made:

- Leadership and management in relation to timely documentation being progressed and staffing levels to support home managed to full capacity – completed September 21
- Quality of care report (reg 45) should be submitted every six months – completed August 21.

3.7.3. Both points have now been addressed, one month after the inspection, and staffing levels are slowly increasing based on good and safe recruitment.

3.8 CYPS inspections prior to July 2021

3.8.1 The table below provides a summary of the ongoing recommendations for external inspections, reviews and audits that took place prior to July 2021.

Ongoing external inspections reviews and audits <i>(those reported previously which had outstanding recommendations)</i>						
Title	Date	Outcome	Recommendations	Implemented:		Status
				At last report	Since last report	
Inspection of Local Authority Children's Services (ILACS) Framework - Focus on permanence planning and achieving permanence (<i>Ofsted</i>)	March 2019	Looked after children in Rotherham are receiving a "strong" service that has significantly improved	<p>3, these include:</p> <ul style="list-style-type: none"> The quality and consistency of written planning, so that it matches up to social workers' verbal accounts of their plans Sufficiency of in-house options, to avoid the use of unregulated placements when finding places for children in care to live Quality of Risk assessments, where risk has potential implications for stability in the lives of children in care. 	1	0	<p>Partially complete (1 complete and 2 ongoing)</p> <p>No further recommendations have been formally completed in the last 6 months; however significant progress has been made against each of these actions.</p> <p>Progress is managed via the CYPS Service Development Plan and challenged as part of the CYPS quality assurance process. Discussions also take place with Ofsted as part of Annual Conversations.</p> <p>See update below (paragraph 3.9) re the progress made in relation to the outstanding recommendations</p>
Troubled Families (<i>Ministry of Housing, Communities and Local Government</i>)	July 2019	Feedback extremely positive and six recommendations made, which included a recommendation to enhance systems.	<p>6, these include:</p> <ul style="list-style-type: none"> Reference key plans Service Transformation Maturity Model in the Early Help maturity matrix and action plan Align better Troubled Families data with the Corporate Context Review how quality assurance and family feedback data feeds informs commissioning Case study of positive employment outcome as a direct result of Troubled Families engagement. Review the strategic engagement with the Job Centre Plus Re-instate the attachment of families. 	5	0	<p>Partially complete (5 complete and 1 ongoing)</p> <p>Ongoing recommendations include:</p> <ul style="list-style-type: none"> Align better Troubled Families data with the Corporate Context – to be completed by March 2023. <p>See update below (paragraph 3.10) re the progress made in relation to the outstanding recommendation.</p>

Youth Offending Service Inspection (HMIP)	14 – 17 th September 2020	<p>The RMBC YOT (Youth Offending Team) received an overall rating of 'Requires Improvement'.</p> <p>A report, detailing the findings and recommendations was published on the 17th December 2020.</p>	<p>5, these included:</p> <ul style="list-style-type: none"> • Board members to understand the specific needs of children known to the YOT and advocate on their behalf in their own agencies • Partnership to understand the reasons for the significant number of Looked After Children known to the YOT and review policies and practices of all agencies to minimise the possibility of children entering the criminal justice system unnecessarily • Undertake comprehensive health needs analysis of YOT children to better understand the health provision being delivered and what needs to be developed • Review the quality and accessibility of education, training and employment provision for post-16-year-old children known to the service • Review the quality of risk of harm work and improve the effectiveness of management oversight in all cases. 	4	0	<p>Partially complete (4 complete and 1 ongoing)</p> <p>Ongoing recommendation includes:</p> <ul style="list-style-type: none"> • Undertake a health needs analysis of YOT children to better understand the health provision being delivered and what needs to be developed. <p>Action plan submitted to HMIP on 11th January 2021.</p> <p>Actions to address findings will be incorporated into the CYPS Service Development Plan.</p> <p>Progress will be discussed and challenged as part of the arrangements for the CYPS quality assurance process and discussed with Ofsted as part of Annual Conversations.</p> <p>See update below (paragraph 3.11) re the progress made in relation to the outstanding recommendations.</p>
Focused visit to Rotherham children's services (Ofsted)	20 – 22 nd October 2020	<p>No formal overall outcome from the inspection. A letter providing four recommendations has been published.</p> <p>It was however noted that Rotherham children's services have reacted rapidly and effectively to the COVID-19 pandemic</p>	<p>4, these included:</p> <ul style="list-style-type: none"> • The quality and monitoring of children's plans • Placement sufficiency to reduce the need for children to be placed out of authority and in unregistered provision • The timeliness of children in care accessing education • The timely return to full-time education for children with SEND. 	0	0	<p>4 recs ongoing</p> <p>No actions are formally complete, however significant progress has been made against each of these actions.</p> <p>Actions to address findings are in progress and being incorporated into the CYPS Service Development Plan.</p> <p>Progress will be discussed and challenged as part of the arrangements for the CYPS quality assurance process and discussed with</p>

		in the early months of 2020.				Ofsted as part of Annual Conversations. See update below (paragraph 3.12) re the progress made.
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3.9 Inspection of Local Authority Children's Services (ILACS) Framework - Focused visit on permanence and planning (Ofsted)

3.9.1 Ofsted undertook an Inspection of Local Authority Children's Services (ILACS) Framework on 21st March 2019 focusing on planning and achieving permanence.

3.9.2 No formal judgement was given but the inspectors stated looked after children in Rotherham are receiving a "strong" service that has significantly improved. Three recommendations were made, and one of which has been implemented and is now complete, and two are still ongoing.

3.9.3 Progress on the two ongoing recommendations is still as follows:

- The quality and consistency of written planning, so that it matches up to social workers' verbal accounts of their plans. Significant work has taken place and is referenced in recent quality assurance work. The impact will be monitored over the next few months to ensure this is consistent and there is assurance, before being reviewed by the Evidence Challenge Panel and formally signed off by the Directorate Leadership Team. This will then become business as usual, and performance managed as part of the quality assurance process.
- Sufficiency of in-house options, to avoid the use of unregulated placements when finding places for children in care to live. This is ongoing and is part the wider sufficiency programme of work. The expected completion of the roll out of phase two of the children's homes is now January 2022. This was originally planned for December 2021 but has been delayed due to the availability of HMI Ofsted to inspect the new homes prior to providing approval to open. Phase three of the programme will commence in 2022 providing a further two, four-bedroom homes this is expected to be completed in 2024.

3.9.4 Progress is managed via the Children and Young People's Service (CYPS) Development Plan and challenged as part of the CYPS quality assurance process. Discussions also take place with Ofsted as part of Annual Conversations.

3.10 Troubled Families (Ministry of Housing, Communities and Local Government (MHCLG))

3.10.1 A troubled families spot check was carried out in July 2019 by the Ministry of Housing and Local Government. The purpose of the inspection was to review processes, performance and systems and identify areas for improvement.

3.10.2 One recommendation is still outstanding, but progress has continued to be made and this is scheduled for completion by March 2023:

- Align better Troubled Families data with the Corporate Context. A bid was made to the MHCLG's Data Accelerator Fund to support this work however this was unsuccessful. This action is now the focus of the single view development and progress has continued to be made against the remaining action scheduled for completion by March 2023.

3.10.3 Progress is managed via the Children and Young People's Service (CYPS) Development Plan and challenged as part of the CYPS quality assurance process. Discussions also take place with Ofsted as part of Annual Conversations.

3.11 Youth Services Inspection (*Her Majesty's Inspectorate of Probation (HMIP)*)

3.11.1 A virtual inspection was conducted by HMIP between 14th and 17th September 2020. The visit looked at the quality and impact of key decision-making across three domains: organisational delivery of services; the planning and delivery of court disposals; and the planning and delivery of out-of-court disposals.

3.11.2 The findings published on 17th December 2020 found that the service, overall, 'Requires improvement'.

3.11.3 Within the report, five recommendations were made regarding areas which required improvement. Four of these had been implemented at the last report.

3.11.4 Work to implement the final recommendation is ongoing:

- Undertake comprehensive health needs analysis of Youth Offending Team (YOT) children to better understand the health provision being delivered and what needs to be developed.

3.11.5 Work in relation to the remaining action is complete and findings have been shared with the YOT board, however further work is being undertaken to review the impact. New Child and Adolescent Mental Health Service (CAMHS) and Speech and Language Therapy (SALT) Pathways are operational, and training has been delivered. A report will be presented to the YOT Board in December 2021, which will determine if any further action needs to be undertaken or whether this action can be closed.

3.11.6 The actions to address the findings are incorporated into the Children and Young People's Service (CYPS) development plan. Progress will be discussed and challenged as part of the arrangements for the CYPS quality assurance process and discussed with Ofsted as part of the annual conversations.

3.12 Focused visit to Rotherham children's services (*Ofsted*)

3.12.1 A virtual focused visit was conducted by Ofsted between 20th and 22nd October 2020 to look at the quality and impact of key decision-making across help and protection, children in care and services for care leavers, together with the impact of leadership on service development.

3.12.2 Four recommendations were made regarding areas which required improvement. These included:

- The quality and monitoring of children's plans.
- Placement sufficiency to reduce the need for children to be placed out of authority and in unregistered provision.
- The timeliness of children in care accessing education.
- The timely return to full-time education for children with SEND.

3.12.3 No actions are formally complete, however significant progress has been made against each of the actions. The first two actions are tracked as part of the findings of the Ofsted Focused Visit in March 2019 (see above).

3.12.4 For the final two actions, significant progress has been made and the actions are expected to be complete early in the new year following which, as part of improvement planning and quality assurance processes, they will be reviewed by the Evidence Challenge Panel before being formally signed off.

4. Adult Care, Housing and Public Health

4.1 One inspection has taken place since the last report, which included a desktop audit of the corporate Advocacy and Appeals service, based in Housing, and an in-person assessment. Based on the desktop audit, five recommendations were made and have been implemented. The official report from the in-person assessment is yet to be received. Further details are provided below, see paragraph 4.4.

4.2 There remains one recommendation outstanding from external inspections, reviews and audits that took place prior to July 2021.

4.3 The one outstanding recommendation relates to the CQC inspection of Parkhill Lodge (Adult Social Care) and the medium-term plan to look for alternative premises. Further details are provided below, see paragraph 4.7.

4.4 The table below provides a summary of new external inspections, reviews and audits (taken place since July 2021).

New external inspections reviews and audits					
Title	Date	Outcome	Number of recommendations	Number implemented	Status
Advice Quality Standard (Advice Services Alliance)	22 nd October 2021 (Desktop Audit) & 19 th November 2021	Awaiting official report	5 based on desktop audit, awaiting recommendations from in-person assessment 1. An update to the Signposting and Referral Policy to explicitly state that first consideration should be given to AQS holders. 2. A copy of the risk register/risk	5	Partially complete – 5 recommendations complete based on desktop audit, however awaiting official documentation from 'in person' assessment to clarify any further recommendations.

			<p>assessment for the service.</p> <p>3. Update to the Authorisation Forms to cover audits by AQS assessors/ quality audits and the option to opt out of this – please note files will only be able to be reviewed on site where client consent is evidenced.</p> <p>4. A copy of a service charter setting out what clients can expect from the service.</p> <p>5. An update to the manual to show how and when reviews of quality processes will be carried out.</p>		
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4.5 Advice Quality Standard (*Advice Services Alliance*)

4.5.1 The corporate Advocacy and Appeals service, which is based in Housing, underwent a desktop audit on 22nd October 2021 and an in-person inspection on 19th November 2021 to qualify for an Advice Quality Standard (AQS) accreditation. This is a quality standard for legal advice services operating in the area of social welfare law, which has to be renewed every two years.

4.5.2 Based on the desktop audit, five recommendations were made, which have all been implemented.

1. An update to the signposting and referral policy to explicitly state that first consideration should be given to AQS holders
2. A copy of the risk register/risk assessment for the service
3. Update to the authorisation forms to cover audits by AQS assessors/ quality audits and the option to opt out of this
4. A copy of a service charter setting out what clients can expect from the service
5. An update to the manual to show how and when reviews of quality processes will be carried out.

4.5.3. The report on the in-person inspection and any recommendations based on this are awaited.

4.6 Adult Care, Housing and Public Health inspections prior to July 2021

4.6.1 The table below provides a summary of the ongoing recommendations from external inspections, reviews and audits that took place prior to July 2021.

Ongoing external inspections reviews and audits reported previously <i>(those reported previously which had outstanding recommendations)</i>						
Title	Date	Outcome	Recommendations	Implemented:		Status
				At last report	Since last report	
Adult Social Care – Inspection of Parkhill Lodge (CQC)	24 th January 2018	Good overall rating, with good individual ratings within all sub-categories of Safe; Effective; Caring; Responsive. Well-led category - requires improvement	2	1	0	<p>Partially complete (1 complete and 1 outstanding)</p> <p>The outstanding recommendation relates to external works to the building.</p> <p>Residents temporarily moved to Lord Hardy Court due to impact of Covid. Longer term decision to be made in December 2021.</p> <p>See further update below, paragraph 4.7.</p>

4.7 Adult Social Care – Inspection of Parkhill Lodge (CQC)

- 4.7.1 Work continues to resolve long term plans for Parkhill Lodge and residents. A decision was made to temporarily move the residents of Parkhill Lodge on 22nd October 2020 to Lord Hardy Court due to a Covid outbreak and these arrangements remain in place. The layout of the Parkhill building and lack of ensuite facilities was not supporting infection control and compounded with staff absence due to either being Covid positive or self-isolating.
- 4.7.2 A report was presented to Cabinet in December 2021 regarding the location of Park Hill Lodge residential service.
- 4.7.3 The Adult Social Care Directorate Leadership Team are responsible for overseeing implementation.

5. Regeneration and Environment Services

- 5.1 Four new external audits have taken place since the last report. Five recommendations were made, all of which related to the General Register Office Stock and Security Assurance Audit and all of which have now been implemented. Further details are provided in paragraph 5.3.
- 5.2 Of the recommendations from external inspections, reviews and audits that took place prior to July 2021, three have been implemented since the last report and one remains outstanding. The outstanding recommendation relates to the Sports Ground Safety Audit.

5.3 The table below provides an overall summary of new external inspections, reviews and audits (taken place since July 2021).

New external inspections reviews and audits					
Title	Date	Outcome	Recommendations	Number Implemented	Status
MOT Test Lane Inspection (DVSA)	6th October 2021	Satisfactory	0	n/a	No formal recommendations. See further update below, paragraph 5.4
Review of Clinical waste operations (NHS)	August 2021	Passed	0	n/a	No formal recommendations. See further update below, paragraph 5.5
Stock and Security Assurance Audit (General Register Office)	12 th August 2021	Overall High Assurance on all criteria apart from Order and receipt of stock which was graded Reasonable	5 recommendations: 1, Reminder for all staff to send acknowledgement of receipt of stock to Registration Supplies Unit. 2, Periodic Stock Checks of unused certificate stock to resume after being suspended during the pandemic. 3, Casual staff not to be allowed access to depository. 4, Amount and type of stock to not exceed reasonable levels. 5. Local Authority to consider introducing regular audits of the registration service.	5	Complete See further update below, paragraph 5.6
Annual site audit of Rotherham Leisure Complex and Maltby Leisure Centre	30 th June 2021	Very Good	0	n/a	No formal recommendations. See further update below, paragraph 5.7

5.4 MOT Test Lane Inspection (DVSA)

5.4.1 On 6th October 2021, the Driver and Vehicle Standards Agency (DVSA) conducted an unannounced visit to ensure required standards exist within the MOT test lane facility based at Hellaby Depot.

5.4.2 The inspection found the facility to be satisfactory and no recommendations were made.

5.5 Review of Clinical Waste Operations (NHS)

5.5.1 A review of all clinical waste operations took place in August 2021, conducted by the NHS.

5.5.2 No issues were identified, and no recommendations made.

5.6 Stock and Security Assurance Audit (General Register Office)

5.6.1 On 12th August 2021, the General Register Office conducted a Stock and Security Assurance Audit.

5.6.2 Overall, it was graded 'high assurance' on all criteria apart from order and receipt of stock which was graded 'reasonable'.

5.6.3 Five recommendations were made, all of which have been implemented. These were:

- Reminder for all staff to send acknowledgement of receipt of stock to registration supplies unit
- Periodic stock checks of unused certificate stock to resume after being suspended during the pandemic
- Casual staff not to be allowed access to depository
- Amount and type of stock to not exceed reasonable levels
- Local authority to consider introducing regular audits of the registration service.

5.7 Rotherham Leisure Complex and Maltby Leisure Centre (Quest)

5.7.1 Quest Prime conducted a site audit of Rotherham Leisure Complex and Maltby Leisure Centre on 30th June 2021.

5.7.2 The audit found the sites to be Covid-19 secure in line with the assessment criteria and no recommendations were made.

5.8 Regeneration and Environment Services Inspections prior to July 2021

5.8.1 The table below provides a summary of the ongoing recommendations from external inspections, reviews and audits that took place prior to July 2021.

Ongoing external inspections reviews and audits <i>(those reported previously which had outstanding recommendations)</i>						
Title	Date	Outcome	Recommendations	Implemented:		Status
				At last report	Since last report	
Libraries Peer Challenge (Local Government Association)	19 th - 20 th June 2019	<ul style="list-style-type: none"> • Libraries in Rotherham valued asset • Enthusiasm and recognition of the role libraries could play in delivering the wider council objectives within community • Strong political commitment • Impressed by the 	9, these include: <ul style="list-style-type: none"> • Library strategy; service review • Internal review of what is taking place at each location, its success • Resolve where staff time is split between customer 	7	2	Complete – all recommendations now complete. 2 implemented since last report related to: 2. Review of offers at each location through service map

		<p>managers, staff and volunteers met with</p> <ul style="list-style-type: none"> • Vision but not a shared vision and was not always clearly visible to staff and wider partners 	<p>service roles and library service roles</p> <ul style="list-style-type: none"> • Engage staff on the development of the vision • New challenging targets • Opportunities to work more with partners locally, regionally and nationally • More effective use of volunteers • Engage young people in volunteering 			<p>7. Use of volunteers</p> <p>See further update below, paragraph 5.9</p>
Sports Ground Safety Audit (Sports Ground Safety Authority) (Follow-up Inspection)	June 2021	<ul style="list-style-type: none"> • Council risk rating improved to "medium risk" 	<p>9 identified at the initial audit in October 2020. 2 were outstanding at last report in July 2021:</p> <p>3. Introduce an annual review of the safety certificate and operations manual in consultation with the SAG.</p> <p>9. To ensure resilience in sports ground safety involve and train other members of staff in the function.</p>	7 (from initial Audit recommendations)	1	<p>Partially Complete (8 complete, 1 ongoing)</p> <p>Recommendation 9 has now been implemented and only recommendation 3 is still ongoing. This relates to administrative procedures in relation to safety documentation.</p> <p>See paragraph 5.10 below.</p>

5.9 Libraries Peer Challenge (*Local Government Association*)

5.9.1 Implementation of the recommendations from the Libraries Peer Challenge conducted in June 2019 has now been completed, after delays caused by Covid-19.

5.9.2 Since the last report in July 2021 the two remaining recommendations have been implemented:

- All sites have contributed to a service map in order to ensure there is a central overview of the core and complementary offers. This is regularly updated to ensure it is accurate
- Work has been implemented to ensure volunteers are used across the library network. Libraries are working in conjunction with RMBC volunteer coordinators to develop a corporate volunteer policy which is in the process of being approved. A recruitment campaign is planned for early in the New Year and a software is being procured to allow volunteers to apply for roles through a smart phone app.

5.10. Sports Ground Safety Audit (*Sports Ground Safety Authority*)

- 5.10.1 In October 2020, the Sports Ground Safety Authority undertook an audit of the Council to ensure that the designated sports ground within the borough (Rotherham United Football Ground) was operating safely and that the local authority is discharging its duties appropriately under the Safety of Sports Ground Act 1975.
- 5.10.2 The initial audit identified several areas of concern (nine recommendations), resulting in the Council's risk rating being 'high'.
- 5.10.3 A follow up audit took place on 30th June 2021 resulting in the Council's risk rating improving to 'medium risk'. The final report was issued on 7th July 2021.
- 5.10.4 At the last report in July 2021, two recommendations were outstanding, one of which has now been completed:
- To ensure resilience in sports ground safety involve and train other members of staff in the function.
- 5.10.5 The only outstanding recommendation relates to administrative procedures around safety documentation. The process has been introduced and it was originally planned to carry out an inspection of the ground and report back to the Safety Advisory Group in July/August for sign-off. However, due to staffing changes at the inspection could not go ahead in this timescale. As a result, the process has not yet been inspected but an inspection is scheduled to take place in January 2022.
- 5.10.6 The next audit is due in June/July 2022.
- 5.10.7 Implementation of the final outstanding recommendation is overseen by the Management Team.

6. Finance and Customer Services

- 6.1 Five new audits have taken place since the last report and three recommendations have been made, two of which do not require action. Further details are provided below, see paragraph 6.4.
- 6.2 There is one ongoing recommendation from an external inspection that took place prior to July 2021. This relates to the inspection by the Investigatory Powers Commissioners Office and is set out in section 6.12 below.
- 6.3 Final audit reports have not yet been received for Audit of Pooling of Housing Capital Receipts 2020/21 and Public Services Network (PSN) Connection Compliance.
- 6.4 The table below provides an overall summary of new external inspections, reviews, and audits (taken place since to July 2021).

New external inspections reviews and audits					
Title	Date	Outcome	Recommendations	Number Implemented	Status
Audit of Financial Statements 2020/21 (Grant Thornton)	August to November 2021	Unqualified (clean) opinion	3 recommendations: <ul style="list-style-type: none"> • Future changes to MRP policy and reprofiling should have due regard to statutory guidance and be prudent and affordable for future medium- and long-term financial planning. • Consider moving its valuation date for land and buildings closer to the balance sheet date of 31 March. • Consider revising the Related Party note to remove over disclosure 	0	Partially Complete (1 ongoing and 2 do not require action) Do not require action: <ul style="list-style-type: none"> • Current MRP policy is determined in accordance with statutory guidance and considered reasonable • The Council is comfortable with the level of information disclosed and does not intend to adjust this note, therefore no action required. Ongoing recommendation relates to: <ul style="list-style-type: none"> • The valuation process is to be reviewed and adjusted. See further update below, paragraph 6.5
Audit of Annual Governance Statement 202/21 (Grant Thornton)	August to November 2021	Unqualified (clean) opinion	0	n/a	No recommendations See further update below, paragraph 6.6
Audit of Narrative Statement 2020/21 (Grant Thornton)	August to November 2021	Unqualified (clean) opinion	0	n/a	No recommendations See further update below, paragraph 6.7
Audit of Pooling of Housing Capital Receipts 2020/2021 (KPMG)	November – current day	Unknow	n/a	n/a	Unknown , audit remains ongoing See further update below, paragraph 6.8

Audit of Teachers Pension 2020/21 (KPMG)	July/August 2021	Letter to TPA issued by KPMG to confirm year end TPA certificate	0	n/a	No recommendations See further update below, paragraph 6.9
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6.5 Audit of Financial Statements 2020/21 (*Grant Thornton*)

6.5.1 The Annual audit is conducted to ensure that the statements provide a true and fair view of the financial position of the Council and have been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting.

6.5.2 The audit was conducted between August – November 2021.

6.5.3 On 3rd December 2021 the Council received an ‘unqualified’ (clean) opinion and the feedback included three recommendations/areas for consideration:

- Future changes to Minimum Revenue Provision policy and reprofiling should have due regard to statutory guidance and be prudent and affordable for future medium- and long-term financial planning
- Consider moving its valuation date for land and buildings closer to the balance sheet date of 31st March
- Consider revising the related party note to remove over disclosure.

6.5.4 The current MRP policy is determined in accordance with statutory guidance and considered reasonable. This policy is kept under review and any changes to statutory guidance will be reflected in the policy. Therefore, no further action is required.

6.5.5 The Council intends to review its valuation process with a view to adjusting the valuation date from 1st April to a date later in the year.

6.5.6 The Council is comfortable with the level of information disclosed and does not intend to adjust its related party disclosure note. Therefore, no further action is required.

6.5.7 The arrangements for reviewing and implementing the ongoing recommendation will be reported to the Council’s S151 and to Audit Committee as part of the annual preparation of the Council’s Statement of Accounts.

6.6 Audit of Annual Governance Statement 2020/2021 (*Grant Thornton*)

6.6.1 The annual audit of the Governance Statement 2020/21 was conducted by Grant Thornton between August-November 2021 to ensure that report is materially consistent with the financial statements.

6.2.2 On 3rd December the Council received an ‘Unqualified’ (clean) opinion and there were no recommendations made.

6.7 Audit of Narrative Statement 2020/21 (Grant Thornton)

6.7.1 The annual audit of the narrative statement is to ensure that report is materially consistent with the financial statements and the audit was conducted between August – November 2021.

6.7.2 On 3rd December the Council received an 'Unqualified' (clean) opinion and there were no recommendations made.

6.8 Audit of Pooling of Housing Capital Receipts 2020/2021 (KPMG)

6.8.1 The annual audit commenced in November and remains ongoing.

6.9 Audit of Teachers Pension 2020/21 (KPMG)

6.9.1 The annual audit is an end of year process to provide assurance that all contributions due have been correctly paid over to the Teachers' Pension Scheme (TPS). The audit was conducted between July-August 2021.

6.9.2 The outcome letter provided by KPMG confirmed the year end TPS certificate and there were no recommendations.

6.10 Finance and Customer Services inspections and audits prior to July 2021

6.10.1 The table below provides a summary of the ongoing recommendations for external inspections, reviews and audits that took place prior to July 2021.

Ongoing external inspections reviews and audits <i>(those reported previously which had outstanding recommendations)</i>						
Title	Date	Outcome	Recommendations	Implemented:		Status
				At last report	Since last report	
Public Services Network (PSN) Connection Compliance (Cabinet Office)	May 2021	Unknown	n/a	n/a	n/a	<p>Awaiting response.</p> <p>The annual application submitted in May 2021, awaiting the outcome of the submission. No response from the Cabinet Office received.</p> <p>Further updated submission sent November 2021 reflecting the further security improvements and investments in IT Infrastructure since May 2021.</p> <p>See further update below, paragraph 6.5.</p>

Regulatory and Investigatory Act 2000 (RIPA) (<i>Investigatory Powers Commissioners Office</i>)	July 2020	Clean audit	1 Awareness training	0	0	1 rec outstanding. The recommendation relates to wider awareness training which will be arranged in the new year. See further update below, paragraph 6.12.
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6.11 Public Services Network (PSN) Connection Compliance (*Cabinet Office*)

6.11.1 The Public Services Network (PSN), is a Her Majesty's Government (HMG) initiative that provides assurance to all public sector participants that all connecting organisations have a mature, stable, and secure network. Certification is hard to achieve, and most Councils are 'working towards' compliance.

6.11.2 Access to PSN is still possible provided you submit an annual application for review that outlines the organisation's current security position.

6.11.3 The PSN is a secure network which enables access to HMG systems and shared services to be controlled by authorised participants.

6.11.4 The security of each organisation and user connected to the PSN affects both the security of all other users and the network itself. The PSN compliance process exists to provide the PSN community with assurance that their data is protected to an agreed level.

6.11.5 The annual application was submitted by the Council in May 2021 and the Council is awaiting the outcome of the submission.

6.11.6 No response from the Cabinet Office was received and a further updated submission was sent in November 2021 reflecting the further security improvements and investments in IT Infrastructure since May 2021.

6.12 Regulatory and Investigatory Act 2000 (RIPA) (*Investigatory Powers Commissioners Office*)

6.12.1 The Regulation of Investigatory Powers Act 2000 (RIPA) provides a mechanism to make it lawful for public bodies, such as local authorities, to use directed (i.e. covert) surveillance and covert human intelligence sources e.g. undercover officers and public informants for the purposes of the detection and prevention of crime. RIPA also provides a mechanism for public bodies, such as local authorities, to acquire communications data where it is proportionate and necessary to do so for the purposes of the detection and prevention of crime.

6.12.2 On the 2nd July 2020 a desktop inspection by the Investigatory Powers Commissioners Office took place. The outcome of inspection was positive, however there was one recommendation relating to awareness training for staff who do not necessarily encounter potential RIPA issues on a regular basis.

6.12.3 Since the inspection Legal Services have been focussing efforts to provide awareness training to ensure the RIPA legislation is cascaded to individual directorates to reduce any potential risk arising from any unauthorised activity. The RIPA Coordinator is attending external training to ensure that any awareness training provided is as up to date as possible. The training will be arranged in the new year.

6.12.4 The legal services management team meeting agenda includes an item relating to audit recommendations to ensure that there is regular oversight of the progress in the implementation.

7. Assistant Chief Executive

7.1 There are no new external inspections, reviews or audits relating to the Assistant Chief Executive's Directorate to report.

8. Lessons learnt

8.1 The Council will continue to share learning from external inspections, reviews and audits across services and other directorates, where appropriate, to prevent future concerns/problems arising and enhance service delivery.

8.2 As stated in paragraph 3.6.5, arrangements are in place to share learning from children's homes inspection, where relevant, across all homes.

9. Options considered and recommended proposal

9.1 Audit Committee to note the recent external inspections, reviews and audits which have taken place and the progress made in implementing the recommendations since the last report in July 2021.

9.2 Audit Committee to note the governance arrangements that are currently in place for monitoring and managing the recommendations.

9.2 Audit Committee to continue to receive regular reports in relation to external inspections, reviews and audits and the progress made.

10. Consultation on proposal

10.1 Not applicable to this report.

11. Timetable and Accountability for Implementing this Decision

11.1 The timescales for each recommendation varies and further details are included within the report above.

11.2 The next report will be presented to Audit Committee in July 2022.

12. Financial and Procurement Advice and Implications

12.1 There are no direct financial and procurement implications as a result of this report.

12.2 Audits relating to finance and procurement and any related recommendations are outlined in the main body of the report.

13. Legal Advice and Implications

13.1 There are no direct legal implications arising from the recommendations within this report.

13.2 Audits relating to legal services and any recommendations are outlined above.

14. Human Resources Advice and Implications

14.1 There are no Human Resources implications.

15. Implications for Children and Young People and Vulnerable Adults

15.1 The recommendations in relation to inspections in both Children and Young People's Services and Adult Social Care have direct implications on the quality of services provided to children, young people and vulnerable adults. Completing the recommendations will improve outcomes for these groups.

16. Equalities and Human Rights Advice and Implications

16.1 When implementing changes/improvements services are to consider the impacts on services users and communities, including an individual or group with a protected characteristic. This may require the completion of an equality analysis to advance and maximise equality as well as eliminate discrimination and negative consequences.

17. Implications for CO2 Emissions and Climate Change

17.1 There are no direct CO2 emissions and climate change implications.

18. Implications for Partners

18.1 Partnership approaches are key to improving services and the improvements need to be of a multi-agency nature and owned cross the partnership.

19. Risks and Mitigation

19.1 There is a risk that actions are reported as completed without substance, it is important that arrangements are in place as part of the respective quality assurance regimes and monitored through performance management, evidencing not just completion of actions, but the associated outcomes. As governance arrangements are strengthened, these risks become mitigated.

20. Accountable Officer(s)

Simon Dennis, Acting Head of Policy, Performance and Intelligence

Tanya Lound, Acting Corporate Improvement and Risk Manager

Approvals Obtained from:-

Jo Brown, Assistant Chief Executive

This report is published on the Council's website or can be found at:

<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories>

Council Report

Audit Committee Meeting – 11th January 2022.

Title

Internal Audit Progress Report for the period 1st November to 30th November 2021.

Is this a Key Decision and has it been included on the Forward Plan?

No.

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director, Finance and Customer Services.

Report Author(s)

David Webster, Head of Internal Audit

Tel: 01709 823282 Email: david.webster@rotherham.gov.uk

Ward(s) Affected

All wards.

Report Summary

This Progress Report provides the committee with an up to date position on the Internal Audit Plan, a summary of Internal Audit work completed during the period 1st November to 30th November 2021 and the key issues that have arisen from it, and the status of actions arising from audits. It also provides information regarding the performance of the Internal Audit function during the period. Due to the timing of the committee meeting and the Christmas holidays this report only covers one month.

Recommendations

The Audit Committee is asked to:

- 1) Note the Internal Audit work undertaken since the last Audit Committee, 1st November to 30th November 2021, and the key issues that have arisen from it.
- 2) Note the information contained regarding the performance of Internal Audit and the actions being taken by management in respect of their performance.

List of Appendices Included

Appendix A – Internal Audit Plan 2021/22

Appendix B – Summary of work completed since the last meeting

Appendix C – Internal Audit Performance Indicators

Appendix D – Overdue Audit Actions

Background Papers

Public Sector Internal Audit Standards and Associated Local Government Application Note.

Accounts and Audit (England) Regulations 2015.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No.

Council Approval Required

No.

Exempt from the Press and Public

No.

Internal Audit Progress Report for the period 1st November to 30th November 2021

1. Background

- 1.1 CIPFA guidance for Audit Committees in Local Authorities gives the Audit Committee a clear role in supporting the effectiveness of the internal audit process. This role is reflected in the Terms of Reference of the committee. To fulfil this role the committee receives updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work. In addition, it receives information on performance relative to the audit plan.
- 1.2 Public Sector Internal Audit Standards require that the Head of Internal Audit reports periodically to the Audit Committee. This is reflected in the Audit Charter which provides for Progress Reports to be presented to the Audit Committee regarding the audit plan and progress against it; resource requirements; the results of audit activities; the tracking of audit recommendations; and the performance of the audit team.
- 1.3 This report includes the position up to the end of November on the completion of the annual plan for 2021/22, the reports finalised in November, the latest position on overdue actions arising from audit reports and performance indicators for the team. Due to the timing of the committee meeting and the Christmas holidays, this report only covers one month.

2. Key Issues

2.1 Internal Audit Annual Plan

Internal Audit produced a risk based Annual Audit Plan for 2021/22 and presented it to the Audit Committee at its meeting on 23rd March 2021. Work is continuing on this plan. The current position with regards to the plan is given in **Appendix A**. In the year to date the department has delivered 652 days of productive work, showing it is slightly below target for the year as a whole.

2.2 Audit Work Undertaken During the Period

Internal Audit provides an opinion on the control environment for all systems or services which are subject to audit review. These are taken into consideration when forming our overall annual opinion on the Council's control environment. There are four possible levels of assurance for any area under examination, these being "Substantial Assurance", "Reasonable Assurance" "Partial Assurance" and "No Assurance". Audit opinions and a brief summary of all audit work concluded since the last Audit Committee are set out in **Appendix B**. One audit has been finalised since the last Audit Committee, with Reasonable Assurance.

- 2.3 In addition to the planned audit assurance work, Internal Audit also carries out unplanned responsive work and investigations into any allegations of fraud, corruption or other irregularity. There have been no reports of this type issued since the last meeting.

2.4 Internal Audit Performance Indicators

Internal Audit's performance against a number of indicators is summarised in **Appendix C**. Target Performance for the production and issue of reports and for chargeable time were achieved in November, with chargeable time almost reaching the target. However, only one report was finalised during the month.

2.5 Management Response to Audit Reports

Following the completion of audit work, draft reports are sent to or discussed with the responsible managers to obtain their agreement to the report and commitment to the implementation of recommendations. This results in the production of agreed action plans, containing details of implementation dates and the officers responsible for delivery. Draft reports are copied to the relevant Head of Service and Assistant Director and final reports are also sent to the Strategic Director.

Confirmation of implementation of audit recommendations is sought from service managers when the implementation date is reached. This is automated, with alerts being sent out a week before the due date to the Responsible Manager and Head of Service, and overdue alerts sent out weekly, copied into the Assistant and Strategic Director. Managers should enter the system and provide an update on the action – either implemented or deferred.

Summary reports of outstanding actions are produced monthly and distributed to Strategic Directors. The previous issue of a high number of outstanding actions has largely been resolved through the actions of the Chief Executive and SLT.

Appendix D shows the number of outstanding recommendations that have passed their original due date, age rated. In the detailed spreadsheet, where they have been deferred, the comment received from the Manager is given. There is now only one outstanding action.

3. Options considered and recommended proposal

- 3.1 This report is presented to enable the Audit Committee to fulfil its responsibility for overseeing the work of Internal Audit. It provides a summary of Internal Audit work completed and the key issues arising from it for the period from 1st November to 30th November 2021 and information about the performance of the Internal Audit function during this period.

4. Consultation on proposal

- 4.1 The Internal Audit plan was produced after consultation with management teams. All Internal Audit reports referred to in this report have been discussed and agreed with management in the respective service areas.

5. Timetable and Accountability for Implementing this Decision

- 5.1 The Audit Committee is asked to receive this report at its 11th January 2022 meeting.

6. Financial and Procurement Advice and Implications

- 6.1 There are no direct financial or procurement implications arising from this report. The budget for the Internal Audit function is contained within the budget for the Finance and Customer Services Directorate.

7. Legal Advice and Implications

- 7.1 The provision of Internal Audit is a statutory requirement for all local authorities that is set out in the Accounts and Audit (England) Regulations 2015. These state:

“A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

- 7.2 Internal Audit also has a role in helping the Council to fulfil its responsibilities under s.151 of the Local Government Act 1972, which are:

“each local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs”

8. Human Resources Advice and Implications

- 8.1 There are no direct Human Resources implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 This document includes a report of progress against delivery of the Internal Audit Plan. A significant proportion of the Plan is devoted to the examination of risks facing Children and Young People's Services and Adult Social Care.

10. Equalities and Human Rights Advice and Implications

- 10.1 There are no direct Equalities and Human Rights Implications arising from this report.

11. Implications for Partners

- 11.1 Internal Audit is an integral part of the Council's Governance Framework, which is wholly related to the achievement of the Council's objectives, including those set out in the Council Plan.

12. Risks and Mitigation

- 12.1 An effective Internal Audit Department helps to minimise the Council's exposure to risk.

13. Accountable Officer(s)

David Webster, Head of Internal Audit.
Tel 01709 823282 E mail david.webster@rotherham.gov.uk

Internal Audit Plan 2021-22

<u>ASSISTANT CHIEF EXECUTIVE</u>					
Audit	Risk Register and Rating	Audit Classification	Auditable Area	Number of days	Planned Quarter
Payroll	Directorate Risk ACX20	Fundamental System	Fundamental system. Ongoing review of system and to provide assurances on procedures for carrying out reconciliations and error resolution and prevention.	35	WIP
Risk Management		Risk Based	Review of the effectiveness of risk management.	10	4
HR Policies		Risk Based	Review of policies and procedures to provide assurances that they are fit for purpose.	10	4
Performance Management		Risk Based	Review of policies and procedures in place to gain assurances on the accuracy of performance management measurements reported.	15	4
Members Allowances		Risk Based	Review of allowances paid to members following May 21 Borough Elections, including a follow-up of 2020/21 audit actions.	10	FINAL
Establishment Control		Risk Based	Follow-up of 19/20 Audit	5	FINAL
Give As You Earn Payroll Deductions		System Based	Review of processes for staff donations to charities made by deductions from Payroll	10	FINAL
Total Planned Days – Assistant Chief Executive				95	

ADULT CARE HOUSING AND PUBLIC HEALTH					
Audit	Risk Register and Rating	Audit Classification	Auditable Area	Number of days	Planned Quarter
Liberty Protection Safeguards	Strategic Risk SLT22 ACS22	Risk Based	Review of compliance with new legislative changes and requirements. Detailed scope to be agreed in Q3 / Q4 after new procedures have been embedded.	10	4
Public Health		Risk Based	Scope to be agreed for a review of elements from the What Good Looks Like (WGLL) Programme.	10	4
Homecare and Support Delivery Model	Directorate Risk PH16	Risk Based	Review new delivery model to ensure services are being delivered to vulnerable people on date of contract implementation.	15	WIP
Direct Payments		Risk Based	Review the updated policies and procedures and ensure that all previous Internal Audit recommendations, covering this service, have been addressed and incorporated into these policies and procedures.	5	DRAFT
Repairs & Maintenance Contract	Housing Services Risk No.8	Risk Based	Review and provide assurance on the new repairs and maintenance contract; and ensure that previous Internal Audit recommendations have been addressed within the new contract.	20	FINAL
Housing Rents		System Based	Audit examines key areas within the system on a cyclical basis.	10	4
Rothercare Service		Risk Based	Support Housing's internal review of systems and operations of Rothercare and Assistive Technology	20	WIP
Homelessness	Housing Options Risk 18	Risk Based	Review of findings from Housing's internal review of processes.	10	WIP
Transition from Children's Care to Adult Care		Follow up	Follow up of review in 2020/21	5	4
Learning Disabilities		Risk Based	Review the changes to the service to provide assurance that they have	15	WIP

			achieved the stated objectives in the realignment of services across day centres.		
Total Planned Days – Adult Care and Housing				120	

CHILDREN AND YOUNG PEOPLES SERVICE					
Audit	Risk Register and Rating	Audit Classification	Auditable Area	Number of days	Planned Quarter
Early Years Education	ES6	Risk Based	Review of policies and procedures to ensure compliance with statutory duties. Detailed scope and brief to be agreed with CYPS Management prior to commencement of audit.	20	FINAL
School Exclusions		Risk Based	Review the Council's procedures in respect of permanent exclusions to ensure compliance with statutory requirements	15	4
Schools CRSA and Themed Audits		Risk Based	Reviews based on the results of the schools' Control and Risk Self-Assessment. Includes School Visits.	30	WIP
Special Education Needs and Disability	CYPS03	Risk Based	Review of the management of SEND requirements. Detailed scope and brief to be agreed with CYPS Management prior to commencement of audit.	20	4
LAC Sufficiency (Children's Homes)	CPQ42	Risk Based	To provide an independent risk based review on progress with the LAC Sufficiency Strategy. This review can be used to support any further project changes and provide independent assurance on any changes in delivery post Covid.	15	4
Rating of Schools	ES2 / ES14	Risk Based	Review of the arrangements to ensure maintained schools are rated highly.	10	4
Fostering and Adoption Allowances		Follow up	Follow up of review in 2020/21	5	FINAL
Payments and Allowances		Risk Based	Review the processes and procedures for payments to providers of services to looked after children.	10	FINAL
Total planned days - Children and Young People's Services				125	

<u>FINANCE AND CUSTOMER SERVICES</u>					
<u>Finance</u>					
Audit	Risk Register and Rating	Audit Classification	Auditable Area	Number of days	Planned Quarter
Annual Governance Statement		Risk Based	Review of the process for the production of the AGS.	10	4
NNDR		Systems Based	Fundamental system. Previously no concerns, audit resources to examine changes to the system.	10	WIP
Debtors		Systems Based	Assess the degree of compliance with Finance Procedures by Directorates.	15	FINAL
Capital Procedures		Risk Based	Review the updated capital procedures and provide assurance that they are being complied with and that expenditure is appropriately approved, controlled and monitored.	15	WIP
Social Values		Risk Based	Review of compliance with Social Value policy requirements for procurement and provide assurances that controls are in place to ensure the policy is embedded.	15	FINAL
Procurement Governance	Operational Risk	Risk Based	Review procurement procedures and assess Directorate adherence to them.	20	4
IR35 Anti-Avoidance Tax Legislation		Risk Based	Review procedures and provide an assurance on compliance with IR35 legislation	15	DRAFT
<u>Customer Information & Digital Services</u>					
Cyber Attacks	Directorate Risk FCS14	Risk Based	Provide assurance on how the Council manages the risk of threats from cyber-attack in terms of preventative & reactive measures.	10	4
Physical Security of servers / data		Risk Based	Provide assurance that the Councils server / data areas are secure and resilient to withstand physical & environmental attack.	10	FINAL
Hardware Asset Management		Risk Based	Confirm the adequacy of arrangements for managing the issue of new IT equipment (laptops) and any items that are returned and overall stock	15	FINAL

			management.		
Vulnerability Management (Salford)		Risk Based	Confirm that vulnerabilities in the IT 'estate' are effectively managed in a timely & controlled manner.	10	4
Network Management (Salford)		Risk Based	Provide assurance that the Council's IT infrastructure (network, server and storage) is robust, fit for purpose, secure & resilient.	10	4
Customer Services & Efficiency Programme Board		Advisory	Audit contribution to projects designed to increase efficiency.	30	WIP
<u>Legal Services</u>					
Adult Care Protection Legal Support		Risk Based	Provision of effective Adult Care Protection legal support to Adult Care, Housing and Public Health Services.	10	4
Whistleblowing		Risk Based	Provide assurance that reported cases are investigated and there is supporting evidence to justify the investigations overall findings.	15	DRAFT
Contract Sealing		Risk Based	Partial Assurance level reported in 2021 audit review, follow up audit to ensure agreed actions are in the process of, or have been, implemented.	5	FINAL
Right to Buy		Risk Based	Review of Right to Buy procedures from receiving instructions to completion of sales to highlight any delays in the processes and reduce risk of complaints.	10	4
Total Planned Days – Finance and Customer Services				205	

REGENERATION AND ENVIRONMENT					
Audit	Risk Register and Rating	Audit Classification	Auditable Area	Number of days	Planned Quarter
Property Estate Management	Strategic Risk SLT27 / Directorate Risk R&E13	Risk Based	Review Health & Safety arrangements in management of property estate & follow-up previous audit actions from 20/21 audit.	10	WIP
Enforcement	Directorate Risk R&E2	Risk Based	Ensure the arrangements around community-based enforcement and environmental health meet statutory requirements.	10	WIP
Historic Sites	Directorate Risk R&E8 / Operational Risk CST15	Risk Based	Review the adequacy of arrangements for the management of the health & safety programme for maintenance of the Council's historic sites.	10	WIP
Building Security	Directorate Risk R&E26 /Operational Risk PRT39	Risk Based	Ensure adequate building security arrangements are in place across the property estate. To include follow-up of agreed actions relating to security at Hellaby Depot.	15	WIP
Private Rented Housing		Risk Based	Review policies & procedures and gain assurance that the Council is compliant with regulations surrounding selective licensing and administration of the scheme	10	WIP
Household Waste Recycling Centres		Risk Based	Seek assurance adequate contract management arrangements are in place & operating effectively.	10	WIP
Catering / Cleaning (Facilities Services)		Risk Based	Review adequacy of health & safety arrangements around catering & cleaning and that appropriate PAT testing is in place.	15	WIP

Home to School Transport		Follow up	Follow up of review in 2020/21	5	DRAFT
S106 & Community Infrastructure Levy		Follow-up	Follow-up of review in 2020/21	5	FINAL
Total Planned Days – Regeneration and Environment				90	

<u>OTHER</u>	Provision	Days Used
Follow Up reviews	20	5
Grants	50	44
Provision for investigations	100	121
Pro-active fraud	30	14
Contingency	90	38
Covid – grant work	75	22
Other Work Total	365	244
Overall Plan Total	1000	

Summary of Audit Work Completed since the last meeting

Note:- Internal Audit uses an Executive Summary and reporting structure which gives four levels of overall assurance for areas under examination. Within each area audited an overall assurance opinion is assessed as being either “Substantial Assurance”, Reasonable Assurance”, “Partial Assurance” or “No Assurance”, taking into account the results of all the risks assessed.

Audit Area	Assurance Objective	Final Report to man't	Overall Audit Opinion	Summary of Significant Issues
Finance and Customer Services				
Accounts Payable Feeder Systems	To provide assurance that payments generated through the account payable feeder systems have appropriate and robust controls, including approval, monitoring and reporting processes.	1.11.21	Reasonable Assurance	Recommendations were made to standardise authorisation processes and to review telephony charges, recovering any overpayments.

Definitions

Rating	Definition
Substantial Assurance	<p>Substantial assurance that the system of internal control is designed to achieve the service's objectives and this minimises risk.</p> <p>The controls tested are being consistently and effectively applied. Recommendations, if any, are of an advisory nature (1 star) to further strengthen control arrangements.</p>
Reasonable Assurance	<p>Reasonable assurance that the system of internal control is designed to achieve the service's objectives and minimise risk. However, some weaknesses in the design or inconsistent application of controls put the achievement of some objectives at risk.</p> <p>There are some areas where controls are not consistently and effectively applied and / or are not sufficiently developed. Recommendations are no greater than medium (2 star) priority.</p>
Partial Assurance	<p>Partial assurance where weaknesses in the design or application of controls put the achievement of the service's objectives at risk in a significant proportion of the areas reviewed.</p> <p>There are significant numbers of areas where controls are not consistently and effectively applied and / or are not sufficiently developed. Recommendations may include high priority (3 star) and medium priority (2 star) matters.</p>
No Assurance	<p>Fundamental weaknesses have been identified in the system of internal control resulting in the control environment being unacceptably weak and this exposes service objectives to an unacceptable level of risk.</p> <p>There is significant non-compliance with basic controls which leaves the system open to error and / or abuse. Recommendations will include high priority (3 star) matters and may also include medium priority (2 star) matters.</p>

Appendix C

Internal Audit Performance Indicators

Performance Indicator	Target	Mar 2021	Apr to May 2021	Jun to Aug 2021	Sep to Oct 2021	Nov 2021
Draft reports issued within 15 working days of field work being completed.	90%	86%	100%	83%	83%	100%
Chargeable Time / Available Time.	80%	75%	80%	84%	78%	78%
Audits completed within planned time	90%	86%	100%	92%	100%	100%
Client Satisfaction Survey.	100%	100%	100%	100%	100%	n/a

Appendix D

Overdue Audit Actions

Consolidated Agreed Action Due Date 31.10.21

	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
Adult Care, Housing &Public Health	0	0	0	0	0	0
Assistant Chief Executive	1	0	0	0	2	3
Children & Young Peoples Services	0	0	0	0	0	0
Finance & Customer Services	0	0	0	0	0	0
Regeneration & Environment	0	0	0	0	0	0
Totals	1	0	0	0	2	3

Consolidated Agreed Action Due Date 31.12.21

	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
Adult Care, Housing &Public Health	0	0	0	0	0	0
Assistant Chief Executive	0	0	0	0	0	0
Children & Young Peoples Services	0	0	0	0	0	0
Finance & Customer Services	0	0	0	0	1	1
Regeneration & Environment	0	0	0	0	0	0
Totals	0	0	0	0	1	1

Agreed Action details

FACS	Data revision date: 22/12/21													
Ref	Audit Name	Title	Issue	Recommendation	Agreed Action	Priority	Manager	Head of Service	Assistant Director	Start Date	Due Date	Deferral Date	Deferral Date changes	Reason for Deferral
634	ACE03-Payroll	Standby Payment Rates	Current Standby policy and payment rates not adhered to.	HRP should ensure that all Standby payments are in line with the rates outlined in the HR Employee Standby & Call-Out Policy and have a process in place to prevent any payments outside of the published rates from being processed.	Current arrangements not in line with policy to be reviewed and contractual terms changed.	Amber			Phillip Horsfield	03/06/19	31/03/20	31/03/22	3	There is now just one service which needs moving onto the corporate rates.

Committee Name and Date of Committee Meeting:

Audit Committee – 11th January 2022

Report Title:

Audit Committee Forward Work Plan

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report:

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s):

David Webster (Head of Internal Audit).

Tel: 01709 823282 Email david.webster@rotherham.gov.uk

Ward(s) Affected:

Borough-Wide.

Executive Summary:

The report presents to the Audit Committee a forward work plan covering the next year. The plan shows how the agenda items relate to the objectives of the Committee. It is presented for review and amendment as necessary.

Recommendation:

The Audit Committee is asked to review the Forward Work Plan and suggest any amendments to it.

List of Appendices Included

Audit Committee Forward Work Plan.

Background Papers

Audit Committee Terms of Reference – Constitution, Appendix 9 Responsibilities and Functions, Section 5 Terms of Reference for Committees, Boards and Panels.

Consideration by any other Council Committee, Scrutiny or Advisory Panel:

No

Council Approval Required:

No

Exempt from the Press and Public:

No

Audit Committee Forward Work Plan

1. Background

- 1.1 The Audit Committee's Terms of Reference are published in the Constitution. The attached Forward Work Plan details how the committee meets those Terms of Reference.

2. Key Issues

- 2.1 Local Government Audit Committees should comply with the Chartered Institute of Public Finance and Accountancy's Position Statement and Practical Guidance for Audit Committees. The Terms of Reference for the Audit Committee are designed to ensure the Committee meets the CIPFA standards.
- 2.2 The forward work plan is designed to ensure that the key Audit Committee responsibilities are fulfilled.

3. Options considered and recommended proposal

- 3.1 The work plan for the Audit Committee is a helpful guiding document for the Committee itself and other stakeholders with an interest in the Committee's activities. The work plan for the coming year by date is presented to each committee meeting for review and amendment.

4. Consultation on Proposal

- 4.1 Relevant officers and the Audit Committee were consulted in producing the work plan.

5. Timetable and Accountability for Implementing this Decision

- 5.1 The Forward Plan comprises a schedule of reports to be presented to the Audit Committee at each of its meetings during the year. Various reports have to be presented at specified meetings in order to comply with statutory requirements (for example relating to the statement of accounts and annual governance statement).

6. Financial and Procurement Implications

- 6.1 There are no financial or procurement issues arising from this report.

7. Legal Advice and Implications

- 7.1 There are no direct legal implications associated with this report.

8. Human Resources Advice and Implications

- 8.1 There are no Human Resources implications arising from the report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 The Audit Committee reviews the management of risks across the Council including those relating to Children's and Adult Services. Review of the management of risks helps to ensure the risks are mitigated.

10. Equalities and Human Rights Advice and Implications

- 10.1 There are no direct Equalities or Human Rights implications arising from this report.

11. Implications for Partners

- 11.1 Partners will be able to take assurance on the Control's application of governance controls and management of risks from the work of the Audit Committee.

12. Risks and Mitigation

- 12.1 The Audit Committee aims to comply with standards established by the Chartered Institute of Public Finance and Accountancy (CIPFA). The maintenance of a work plan is consistent with the CIPFA standards. The production of a work plan also helps the Audit Committee to ensure it achieves its terms of reference.

13. Accountable Officer:

David Webster, Head of Internal Audit
01709 823282 – david.webster@rotherham.gov.uk

Audit Committee Forward Work Plan

Meeting Date	Key Responsibility	Agenda Item	Author
15 March 2022	Internal Audit	Training	
		IA Annual Plan	David Webster
	Internal Audit / Governance Risk and Control	IA Progress Report	David Webster
	External Audit	Annual Report (VFM)	Grant Thornton / Graham Saxton
	Financial Reporting	Final Accounts closedown and accounting policies	Graham Saxton
	Governance Risk and Control	Procurement Update	Karen Middlebrook
	Governance Risk and Control	Dedicated Schools Grant	Neil Hardwick
	Governance Risk and Control	Risk Management Directorate Presentation – Children and Young People’s Service	Suzanne Joyner
	Internal Audit	Public Sector Internal Audit Standards	David Webster
	Internal Audit	Internal Audit Quality Assurance and Improvement Plan	David Webster
	Audit Committee Accountability	Audit Committee Forward Work Plan	David Webster

Meeting Date	Key Responsibility	Agenda Item	Author
June 2022		Training	
	External Audit	External Audit Progress Update	Grant Thornton / Graham Saxton
	Governance Risk and Control	Review of Surveillance and use of Regulation of Investigatory Powers	Bal Nahal
	Governance Risk and Control	Risk Management Annual Report	Simon Dennis
	Internal Audit / Governance Risk and Control	IA Progress Report	David Webster
	Internal Audit / Governance Risk and Control	Internal Audit Annual Report	David Webster
		Audit Committee Annual Report	David Webster
	Governance Risk and Control	Risk Management Directorate Presentation – Adult Care Housing and Public Health	Anne Marie Lubanski
	Audit Committee Accountability	Audit Committee Forward Plan	David Webster

Meeting Date	Key Responsibility	Agenda Item	Author
July 2022		Training – Statement of Accounts	
	Financial Reporting	Draft Statement of Accounts	Graham Saxton
	Governance Risk and Control	Draft Annual Governance Statement	Judith Badger
	Governance Risk and Control	External Audit Progress Update	Grant Thornton / Graham Saxton
	Treasury Management	Annual Treasury Management	Graham Saxton
	Governance Risk and Control	Strategic Risk Register	Simon Dennis
	Governance Risk and Control	External Audit and Inspection Recommendations	Simon Dennis
	Audit Committee Accountability	Audit Committee Forward Work Plan	David Webster
	Governance Risk and Control	Private meeting	

Meeting Date	Key Responsibility	Agenda Item	Author
September 2022		Training	
	Financial Reporting	Final Statement of Accounts	Graham Saxton
	Governance Risk and Control	Final AGS	Judith Badger
	External Audit	External Audit Findings (ISA 260)	Grant Thornton / Graham Saxton
	Internal Audit	IA Charter review and update	David Webster
	Internal Audit / Governance Risk and Control	IA Progress Report	David Webster
	Governance Risk and Control	Information Governance Annual Report	Paul Vessey
	Governance Risk and Control	Risk Management Directorate Presentation – Assistant Chief Executive	Jo Brown
	Governance Risk and Control	Anti-Fraud and Corruption Policy and Strategy review and update	David Webster
	Audit Committee Accountability	Audit Committee Forward Work Plan	David Webster

Meeting Date	Key Responsibility	Agenda Item	Author
November 2022		Training	
	External Audit	External Audit Annual Report	Grant Thornton / Graham Saxton
	Treasury Management	Mid-Year Report on Treasury Management	Graham Saxton
	Governance Risk and Control	Code of Corporate Governance	Simon Dennis
	Governance Risk and Control	Risk Management Strategy and Policy	Simon Dennis
	Governance Risk and Control	Risk Management Directorate Presentation – Regeneration and Environment	Paul Woodcock
	Internal Audit / Governance Risk and Control	IA Progress Report	David Webster
	Audit Committee Accountability	Audit Committee Forward Work Plan	David Webster

Meeting Date	Key Responsibility	Agenda Item	Author
January 2023	Financial Reporting	Training Final Accounts closedown and accounting policies	Graham Saxton
	External Audit	External Audit Update	Grant Thornton / Graham Saxton
	Governance Risk and Control	External Audit and Inspection recommendations	Simon Dennis
	Governance Risk and Control	Risk Management Directorate Presentation – Finance and Customer Services	Judith Badger
	Internal Audit / Governance Risk and Control	IA Progress Report	David Webster
	Audit Committee Accountability	Audit Committee Forward Work Plan	David Webster

Public Report with Exempt Appendices
Audit Committee

Committee Name and Date of Committee Meeting

Audit Committee – 11 January 2022

Report Title

Corporate Strategic Risk Register

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report

Jo Brown, Assistant Chief Executive

Report Author(s)

Simon Dennis (*Acting Head of Policy, Performance and Intelligence*)

Assistant Chief Executive's Department

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Ward(s) Affected

Borough-Wide

Report Summary

This report forms part of the Audit Committee's remit to consider the corporate strategic risk register regularly. The report summarises the current risk register and provides a short summary of our risk management arrangements.

Recommendations

1. **The Audit Committee is asked to consider and note the update and make any comments as necessary.**

List of Appendices Included

Appendix 1 – Corporate strategic risk register - 30th November 2021

Background Papers

Report to Audit Committee; 30th November 2021 (Risk Management Strategy and Policy)

Report to Audit Committee; 29th July 2021 (Corporate Strategic Risk Register)

Report to Audit Committee; 22nd June 2021 (Risk Management Annual Summary 2020/2021)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

See above, the corporate strategic risk register has previously been considered by Audit Committee.

Council Approval Required

No

Exempt from the Press and Public

Yes.

An exemption is sought for Appendix 1 under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains information that refers to the affairs of third parties.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because failure to do so may result in disclosure of information about the financial or business affairs of Council suppliers and partners.

Corporate Strategic Risk Register

1. Background

- 1.1 The Council's ongoing response to the COVID-19 pandemic has seen risk management play a vital role and this continues to be the case. The changes required to our processes have been reported to the Committee previously but, at the time of writing, our overall corporate risk management arrangements have now broadly returned to normal.
- 1.2 This report summarises the current arrangements and presents the current corporate strategic risk register which has recently been considered by Strategic Leadership Team (SLT).

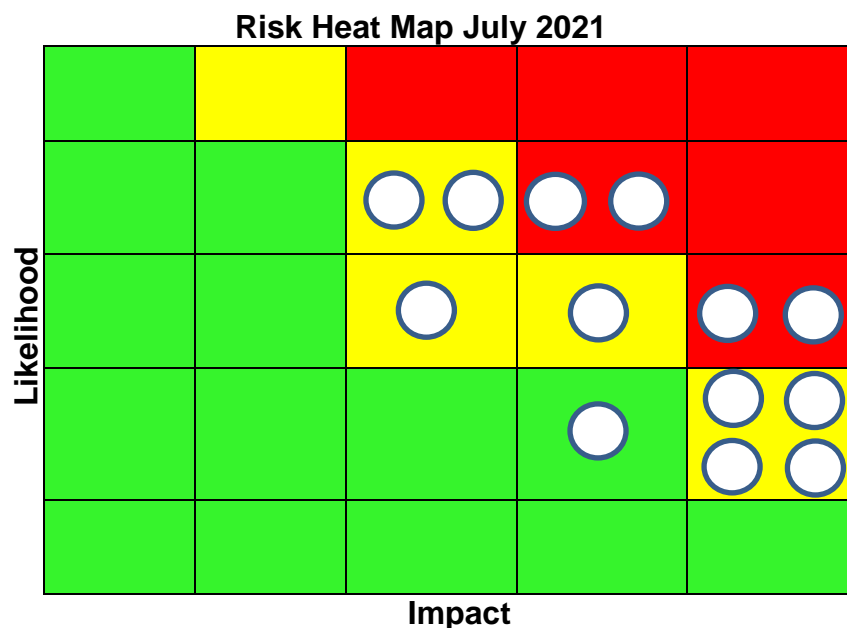
2. Overall Arrangements

- 2.1 The Council's Risk Management Policy and Guide states that risk management is the responsibility of all Council officers. As well as the key responsibilities in the policy, the Council has a group of Risk Champions, each of whom leads on risk for their Strategic Director. The Risk Champions, Assistant Chief Executive and the Corporate Improvement and Risk Manager form the Risk Champions Group. This group is responsible for co-ordinating risk management across the Council in normal circumstances.
- 2.2 The corporate strategic risk register has been completed following reviews of individual risks by Directorate Leadership Teams (DLTs). Every risk on the register is owned by a member of SLT and appears on their Directorate's risk register.
- 2.3 The strategic risk register has been formally reviewed by SLT both at joint SLT/AD performance management meetings and at separate SLT meetings. These meeting will continue to review the corporate strategic risk register every three months.
- 2.4 The register is also reported regularly to the Audit Committee alongside the annual "Deep Dives" of individual Directorate risk registers. Additionally, the Corporate Improvement and Risk Manager, through the Risk Champions, ensures updates are obtained from all risk owners, reviews each update, and draws attention to issues or missing updates.
- 2.5 There are 3 categories of risk Red, Amber, Green (RAG) representing varying degrees of exposure. Each category contains a range of risk scores and the table overleaf shows how the RAG rating and score are derived.

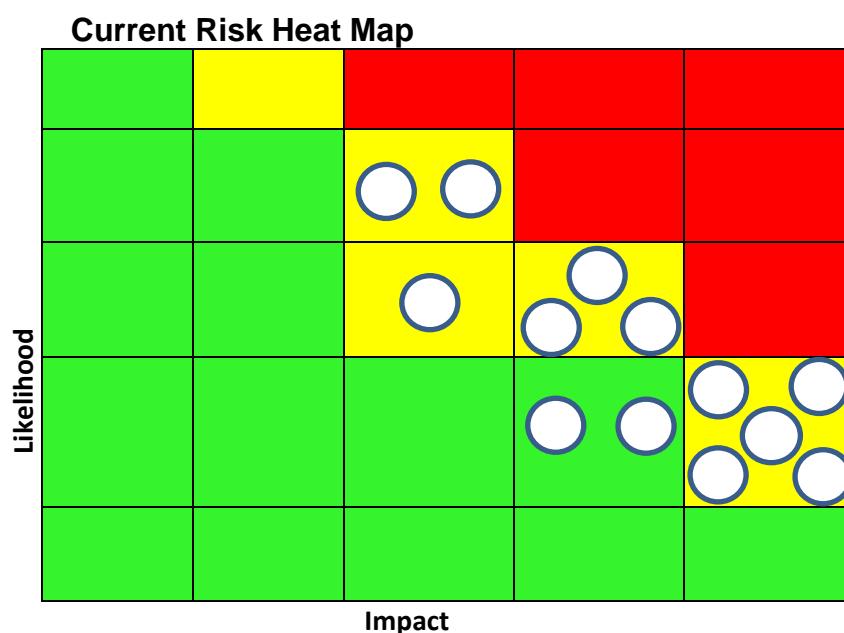
LIKELIHOOD (A)	Almost Certain 5	5	10	15	20	25
	Probable / Likely 4	4	8	12	16	20
	Possible 3	3	6	9	12	15
	Unlikely 2	2	4	6	8	10
	Very unlikely / Rare 1	1	2	3	4	5
		Insignificant / Negligible 1	Minor 2	Moderate 3	Major 4	Critical or Catastrophic 5
	IMPACT (B)					

3. Corporate Strategic Risk Register

- 3.1 The Audit Committee's receives two reports a year on the overall status of the Council's strategic risks. As the Committee will be aware, the corporate strategic risk register (which is attached at Appendix 1) is currently aligned to the Council's current Year Ahead Plan.
- 3.2 The last "heat map" which was reported to the Committee in July 2021 showed the risk profile on the page overleaf:



- 3.3 The current “heat map” for the strategic risks included in this update of the register is shown in the table below:



- 3.4 The table below shows that the pattern of reducing assessed risk that was in place up until COVID-19 struck, has recommenced. This also reflects the increasing grasp on the key risks that need to be managed at a strategic level. This improvement, inevitably, slowed during the pandemic but the overall track in the last two years is an improving one. Since July 2021, 60% of risks monitored at a strategic level have reduced or been removed, just over 25% have remained stable and just over 15% have increased or are new to the register.

Number	Risk Summary	Jul 20	Jan 21	Jul 21	Dec 21	Risk Movement (Jul 2020 compared to Dec 2021) ↓ = Risk level reduced ↑ = Risk level increased → = Risk level static
SLT01	Children's safeguarding	15	15	10	10	↓
SLT03	Tackling family poverty	16	16	16	12	↓
SLT04	Making sustainable improvement in Children's Services	15	15	10	10	↓
SLT07	Influenza pandemic	15	15	15	8	↓
SLT08	Failure to enhance community	12	12	8	8	↓

	cohesion					
SLT09	Confidence in Rotherham	12	12	12	12	→
SLT10	Failure to attract new business and investment	9	9	12	12	↑
SLT11	Risk of lack of effective partnership working	10	10	10	10	→
SLT16	Financial plans and budget gap	15	15	10	10	↓
SLT19	Emergency planning and business continuity	4	-	-	-	↓
SLT22	Mental Capacity Act/DoLs	9	9	9	9	→
SLT27	Property and estate condition surveys	10	10	12	12	↑
SLT 34	Impact of EU trade deal on the economy	-	16	-	-	→
SLT 35	Impact of the COVID pandemic	-	20	15	10	↓
SLT 36	Insufficient resources committed to Carbon Reduction Plan	-	16	16	12	↓

3.5 The Committee will note that since the last update there have been no additions or removals from the strategic risk register. In total, there remain 13 risks on the strategic risk register, up from 12 risks in July 2020.

3.6 The Committee should also be aware that the risk management process was reviewed by Internal Audit in the course of 2021. This review compared our arrangements to the requirements of the relevant International Standard, ISO31000. The review concluded that substantial assurance could be derived from the controls that were in place. This is the highest assurance level possible. A further review will be carried out in 2022.

4.0 Future Developments

4.1 Once the Council has approved its new Council Plan, the corporate strategic risk register will be updated and aligned with that Plan (it is currently aligned with the Year Ahead Plan). The new version of this risk register is intended to be presented to the Audit Committee in July 2022.

4.2 As reported to the previous Committee meeting in July, work is now in hand to develop a refreshed approach to risk management training. This refreshed approach includes training for members in February 2022, a refresh of our

online training package to be launched later in the year and a re-start of our training for all senior managers.

- 4.3 Finally, the Committee will be aware that the Council's Risk Management Policy and Guide was reviewed and approved at its November meeting. A further refresh will be carried out in late 2022 and will be presented to this Committee at its November 2022 meeting.

5. Options considered and recommended proposal

- 5.1 Not applicable.

6. Consultation

- 6.1 The risks included in this report have been drawn from Directorate Risk Registers.

7. Timetable and Accountability for Implementing this Decision

- 7.1 Not applicable.

8. Financial and Procurement Implications

- 8.1 The risks referred to in the table at section 3.4 require ongoing management action. In some cases, additional resources may be necessary to implement the relevant actions or mitigate risks. Any additional costs associated with the management of these risks will be contained within overall budgets or otherwise reported through the monthly financial monitoring arrangements and to Cabinet if appropriate.

9. Legal Implications

- 9.1 There are no direct legal implications arising from the risk register. Any actions taken by the Council in response to risks identified will consider any specific legal implications.

10. Human Resources Implications

- 10.1 There are no Human Resources implications associated with the proposals.

11. Implications for Children and Young People and Vulnerable Adults

- 11.1 The strategic risk register incorporates the CYPS risks that are of significance at a corporate / strategic level.

12. Equalities and Human Rights Implications

- 12.1 Proposals for addressing individual risks within the register incorporate equalities and human rights considerations where appropriate.

13. Implications for Partners and Other Directorates

- 13.1 The actions relating to any issues affecting partners are reflected in the risk register and accompanying risk mitigation action plans.

14. Risks and Mitigation

- 14.1 It is important to review the effectiveness of our approach to capturing, managing, and reporting risks on an ongoing basis. This report sets out how the approach to risk management will be developed over the course of the coming year.

15. Accountable Officer:

Simon Dennis (Acting Head of Policy, Performance and Intelligence)

Approvals Obtained from: -

Jo Brown, (Assistant Chief Executive)

This report is published on the Council's website

Not Applicable – Appendix (Exempt Report)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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