



**INTERNAL AUDIT
PROGRESS REPORT**

Rushcliffe Borough Council

NOVEMBER 2022

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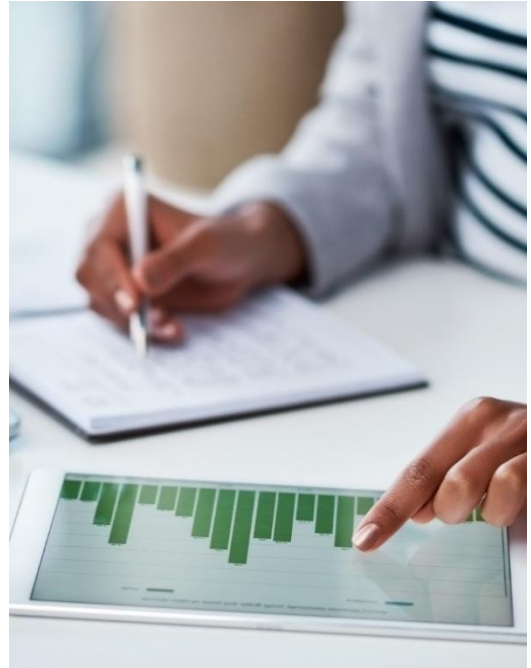
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SUMMARY OF 2022/2023 WORK

INTERNAL AUDIT

This report is intended to inform the Audit Committee of progress made against the 2022/2023 internal audit plan. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.



INTERNAL AUDIT METHODOLOGY

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report, and are based on us giving either 'substantial', 'moderate', 'limited' or 'no'. The four assurance levels are designed to ensure that the opinion given does not gravitate to a 'satisfactory' or middle band grading. Under any system we are required to make a judgement when making our overall assessment.

2022/2023 INTERNAL AUDIT PLAN

We are now making good progress in the delivery of 2022/2023 audit plan, and we are pleased to present the following reports to this Audit Committee meeting:

- ▶ IT Asset Management
- ▶ Health and Wellbeing

Planning and/or fieldwork is underway in respect of the following audits:

- ▶ Safeguarding
- ▶ Main Financial Systems

We anticipate presenting these reports at future Audit Committee meetings.

FOLLOW UP OF RECOMMENDATIONS

NOVEMBER 2022

Please find below a summary of the status of implementation of recommendations arising from reports issued in NOVEMBER 2022.

- ▶ One medium recommendation and two sub-recommendations have been implemented since the last meeting, which were from the Planning & S106 Review
- ▶ There are only two recommendations from the Planning & S106 Review with a revised implementation date of 31/01/2023, meaning once these are complete, all recommendations from all 2021/22 reviews will have been implemented.

2022/2023

Please find below a summary of the status of implementation of recommendations arising from reports issued in 2022/2023.

- ▶ One medium recommendation was due from the Risk Management review but the due date has been revised, and is in progress

- ▶ Two medium recommendations were due for the Environment review. Part b of one recommendation is complete, and part a of the same recommendation, along with the other recommendation are both in progress.

CHANGES TO THE 2022/2023 INTERNAL AUDIT PLAN

No changes to note.

REVIEW OF 2022/2023 WORK

AUDIT	AUDIT COMMITTEE	PLANNING	FIELDWORK	REPORTING	DESIGN	EFFECTIVENESS
Fraud Report	June 2022	✓	✓	✓	N/A	N/A
Project Management (1)	September 2022	✓	✓	✓	M	S
Environment	September 2022	✓	✓	✓	S	M
Risk Management	September 2022	✓	✓	✓	S	S
Health and Wellbeing	November 2022	✓	✓	✓	M	M
Safeguarding	TBC	✓	✓			
Main Financial Systems (MFS)	TBC	✓	✓			
IT Asset Management	November 2022	✓	✓	✓	M	S
Sustainable Warmth Funding	TBC	✓				
Channel Shift	TBC	✓				
Project Management (2)	TBC	✓	✓			



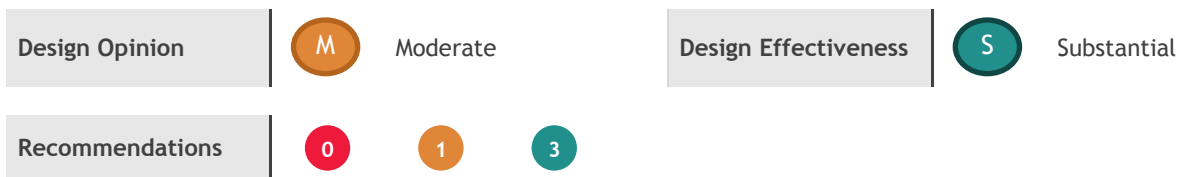
IT ASSET MANAGEMENT

CRR REFERENCE:

25: Short term loss/failure of main ICT systems

26: Failure to comply with General Data Protection Regulation

27: Loss or compromise of confidential or restricted information or data.



SCOPE

BACKGROUND

Ranging from servers and networking equipment through to laptops and mobile devices, local authorities' Information Technology (IT) assets underpin their ability to function and provide its critical services. As well as physical assets, advances in technology now mean that councils should maintain a record of the virtual IT assets that are in use.

Rushcliffe Borough Council (RBC) has a responsibility to ensure that its IT infrastructure, hardware, and system assets are managed in a way that protects the Council from financial loss. Furthermore, these IT assets can be used to store the Council's information assets and their loss could result in the Council being in breach of its statutory and regulatory obligations.

New working arrangements introduced by social distancing during the current Coronavirus (COVID-19) outbreak have resulted in a rapid shift to mobile and remote working. Whilst operating remotely offers members of staff flexibility that can improve their ways of working, it could also increase the Council's exposure to information security breaches, if left unmanaged, so it is important that appropriate action is taken to secure mobile devices.

AREAS REVIEWED

This audit focused on the Council's physical IT assets and software licensing arrangements. This involved assessing the controls in place for managing the lifecycle of hardware, including tablets and laptops/PCs and whether decision-making regarding replacement equipment is future focused.



AREAS OF STRENGTH

During our review, we identified the following areas of good practice:


- ▶ Overall responsibility for IT Asset Management is assigned to the Chief Information Officer, however day-to-day responsibility is assigned to the ICT Service Support Manager
- ▶ The Council maintains an IT asset register which is maintained by the Council's service desk team
- ▶ Mobile devices that connect to the Council network are required to have certain functions in place, such as having appropriately up to date operating software and appropriate password controls in place. With this in place, nothing should be able to gain access to the Council network unless it meets these requirements
- ▶ A record is maintained for disposed IT assets and the Council obtains disposal certificates relating to any assets that have been disposed which in turn are removed from the Council's asset register.



AREAS OF CONCERN

Finding	Recommendation and Management Response
<p>▶ The Council does not have documented procedures in place for the management of IT assets and policies scheduled for review in March 2022 had not been reviewed at the time of audit (Finding 1 - Medium)</p>	<p>1. Management should review the following policies to ensure that they are accurate and up to date: Hardware asset policy Remote working policy Encryption policy Software policy.</p> <p><u>Management Response:</u> Agreed</p> <p>Target date: 31/01/2023</p> <p>2. Management should implement an asset management procedure that outlines the following: Requesting and provisioning of IT assets Returning IT assets when they are no longer required Disposal of IT assets Reporting an asset if it has been lost or stolen.</p> <p><u>Management Response:</u> Agreed</p> <p>Target date: 31/01/2023</p>
<p>▶ Sample testing found exceptions in relation to the recording of IT assets on the asset register (Finding 2 - Low)</p>	<p>1. When assigning the asset on the IT Service Desk, the relevant sections for the IT asset should be completed. This should include, but not be limited to;</p> <ul style="list-style-type: none"> • Purchase Order Number • Asset Cost • The supplier of the asset • The notes within the asset history section. <p><u>Management Response:</u> Agreed</p> <p>Target date: 31/12/2023</p> <p>2. When an asset is reported as being lost or stolen, the notes within the asset history section should be completed to allow for an accurate tracking of the asset</p> <p><u>Management Response:</u> Agreed</p> <p>Target date: 31/12/2023</p>
<p>▶ There is no asset refresh strategy in place to outline when assets are to be replaced (Finding 3 - Low)</p>	<p>Management should implement an IT asset refresh strategy which outlines how frequently IT Assets are to be refreshed and the arrangements in place to ensure that they are suitable for use.</p> <p><u>Management Response:</u> Agreed</p> <p>Target date: 31/01/2023</p>

	<p>▶ There is no procedure in place to proactively review the Council’s software licensing allocations (Finding 4 - Low).</p>	<p>Management should conduct a regular review the software licenses in place at the Council. This should be done on an annual basis at a minimum.</p> <p><u>Management Response:</u> Agreed</p> <p>Target date: 31/03/2023</p>
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 CONCLUSION	<p>▶ We have raised one medium priority and three low priority recommendations to improve the Council’s arrangements for IT asset management. The Council has a good control environment, derived primarily from clear roles and responsibilities being assigned to staff members and appropriate security controls being in place for data on mobile devices</p> <p>▶ However, gaps were identified in the Council’s documentation of asset management procedures, asset refresh procedure and the software licensing procedures. Consequently, we conclude moderate assurance over both the design and operational effectiveness of the Council’s IT asset management controls.</p>
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HEALTH AND WELLBEING

CRR REFERENCE:

CRR_NS08 Failure of internal health and safety compliance or enforcement of health and safety

Design Opinion	M	Moderate	Design Effectiveness	M	Moderate
Recommendations	0	3	3		



SCOPE

BACKGROUND

Preserving and protecting the health, safety and wellbeing of staff has been critical for all organisations throughout the COVID-19 pandemic. It has been essential that organisations continuously support the physical and mental wellbeing of the workforce, enabling staff to stay healthy and protect themselves, their colleagues, and families. An engaged workforce with strong mental and physical health is of paramount importance to help achieve the strategic aims of the Council. Staff engagement and health, safety and wellbeing will be delivered in an environment where staff are well managed, valued for their contribution and are developed within available resources. The Council has identified in its People Strategy one of the six key priorities is 'Support health and well-being' by monitoring sickness absence data and ensuring staff terms and conditions and rewards packages promote health and well-being.

In February 2020, the Council signed the Time to Change employer pledge, led by charities Mind and Rethink Mental Illness to support any staff who may suffer mental health problems. As part of its commitment, the authority continues to review its approach taken to mental health in the workplace, through providing initiatives to staff to support their wellbeing. These include: coffee and chats, lunchtime walks, mindfulness and breathing sessions and articles in Staff Matters with advice for staff on how to manage their mental well-being. Furthermore, the Council has an Employee Assistance Programme (EAP) and an external counselling service available for staff to obtain physical, mental, financial and legal advice to support their well-being. This confidential service is managed independently of the Council.

The Workforce Health Group has been established, consisting of the eight Workplace Health Champions, to arrange health and well-being initiatives that are usually coordinated with the national cycle of events, eg. a Macmillan bake sale in Cancer Awareness Month. All Workplace Health Champions and other interested staff have been provided with Mental Health First Aid training. The Council is trying to widen the number of staff receiving Mental Health First Aid training to incorporate staff outside of the Rushcliffe Arena office.

AREAS REVIEWED

The following areas were covered as part of this review:

- ▶ The Council's People Strategy and its arrangements for managing health and well-being of staff, including its governance structures, initiatives held and communication with staff
- ▶ The adequacy of communication channels with staff to publicise the EAP, external counselling service and well-being initiatives organised by the Workplace Health Group
- ▶ We interviewed three Workplace Health Champions to ascertain their views on the effectiveness of the Workplace Health Group, advertising of their role to staff and the overarching culture towards well-being deposited by management
- ▶ We reviewed the key performance indicators (KPIs) set to monitor health and well-being, and the reporting frameworks for these metrics through the performance clinics, Total Clinic and the Executive Management team. We also reviewed the corresponding meeting notes to ascertain whether poor performance was identified and addressed
- ▶ We reviewed the arrangements in place to identify key themes and trends in staff wellbeing issues, to assess whether they are adequate and capture key information. We assessed what

actions were agreed based on the identified themes and whether they were completed within the agreed timeframe. We also assessed how lessons were learned and disseminated across the Council

- ▶ We reviewed the biennial staff survey and well-being survey to assess whether the Council has taken reasonable steps to obtain feedback from staff on their health and wellbeing initiatives to assess performance of these initiatives.

 AREAS OF STRENGTH

We identified the following areas of good practice:

- ▶ The Council has opted for a practical approach to managing employee health and well-being, evidenced through the regular initiatives organised by the Workplace Health Group, including some sessions that have been established at the expense of the Council, such as pilates and mindfulness sessions
- ▶ Workplace Health Champions operate across the Council and have been recruited based on their expertise in health and well-being due to their role within the Council. We were informed by all Workplace Health Champions interviewed that Workplace Health Group meetings were facilitated effectively and were an effective platform for sharing feedback on events and to arrange future events
- ▶ Health and well-being initiatives organised by the Workplace Health Group are coordinated with the national well-being calendar to raise maximum awareness for certain issues. Articles were regularly published in Staff Matters to provide advice and guidance to staff timed with these national events, such as an article on the importance and ways of ensuring good sleep on World Sleep Day. Furthermore, we noted that a significant proportion of Staff Matters on 12 May 2022 was dedicated to advising staff on how to manage their mental health, how to support those suffering from loneliness and the importance of connecting with others which aligned with Mental Health Awareness Week
- ▶ We were informed by Workplace Health Champions that the external counselling/support service has been effective as it can be accessed for free by staff and entirely independently of the Council, which is more approachable for some staff
- ▶ The positive culture and tone from the Executive Management team was raised by all Workplace Health Champions interviewed. We understand that the Chief Executive is a Mental Health First Aider which exemplifies the seriousness to which the Council considers staff well-being.

 AREAS OF CONCERN


Finding	Recommendation and Management Response
<ul style="list-style-type: none"> ▶ The Council does not have a detailed, overarching strategy to outline responsibilities and its approach towards managing employee health & well-being. This is briefly mentioned in the People Strategy. However, it does undertake a lot of activity by holding events/sessions for staff aligned to the national calendar of events, has an EAP with an external counselling service and has established a Workplace Health Group. The Council could benefit from documenting and formalising these arrangements (Finding 1 - Medium) 	<p>The Council should develop an Employee/Workplace Health and Well-being Strategy, or include a detailed section within its People Strategy to cover the following areas:</p> <ol style="list-style-type: none"> An overarching definition of employee health and well-being, including a breakdown between physical and mental health and the components that support each Its short and long-term vision and mission in relation to employee health and well-being, ie setting the culture of the organisation and how it will support staff health and well-being The responsibilities of employees, line managers and the Executive Management Team for creating an environment that enables employees to be open and the structures in place to identify and support employees that require further guidance or sign-posting to relevant support lines The Council’s approach towards managing employee health and well-being, including the EAP, aligning internal events with the national cycle, health

		<p>benefits such as 50% discount at the Parkwood Leisure Centre, etc. It should also identify any future plans for the next three to five years, splitting these between physical and mental health activities</p> <p>e. Details of the roles of the Workplace Health Champions and Mental Health First Aiders in organising health and well-being activities and promoting it within the Council.</p> <p>We have provided an analysis in the ‘Added Value’ section of this report of other local authority’s Employee/Workplace Health and Well-being Strategy identifying key components.</p> <p><u>Management Response:</u> It is agreed that RBC can include more details in its People Strategy. It is felt that current processes are effective but acknowledge that further information can be articulated in the document. Comparisons with larger County Councils with different resources and with more Health and Safety risk due to the nature of some of their work (eg Social Care, Highways and Education) with worse sickness records and a different risk profile can be taken out of context. RBC has the best sickness record in Nottinghamshire and we tailor what we do to our risk profile. Consequently we do not agree this is a Medium Risk that it is not ‘a risk that could impact on operational objectives and should be of concern to senior management and requires prompt specific action’.</p> <p>Target date: 31/03/2023</p>
	<p>► KPIs for health and well-being are limited to the number of days lost to sickness absence in each service area which is reported in performance clinic reports. Causes of sickness absence and other KPIs relating to health and well-being are reported in the quarterly HR Scorecard to service managers but not to performance clinics to identify well-being issues and trends (Finding 2 - Medium)</p>	<p>The HR team should develop a suite of KPIs to monitor staff health and well-being at corporate and service area level. These metrics may include:</p> <ol style="list-style-type: none"> Sickness absence rates with a breakdown of the cause/type and length of time staff were absent Utilisation of employee benefits offers through Sodexo Attendance/participation rates in health and well-being events/sessions arranged by the Workplace Health Group Number of employees accessing the external counselling service (if the data can be obtained) Participation rates in the biennial staff survey and other periodic well-being surveys. <p>These KPIs should be reported to the relevant performance clinic reports every two months and the Total Clinic report. Additionally, notifying managers of details of upcoming events arranged by the Workplace Health Group should be added to the performance clinic agendas for all service areas to raise awareness of events for staff to participate in.</p> <p><u>Management Response:</u></p>

		<p>RBC will look at what relevant KPI's can be included to support the reporting and review of health and wellbeing. Although it's important that these KPI's are relevant. Having a KPI for number of staff accessing counselling for example is not a target as it is very much based on the need of staff and I would expect this to vary from one year to the next. We reiterate earlier comments about a risk based approach. If our sickness levels increase and give cause for concern then we would apply more KPIs. Given the Council's low current and historical sickness records this is not necessary currently. A good example of this is through Covid we ramped up monitoring of sickness levels. We do not agree this is a Medium Risk that it is not 'a risk that could impact on operational objectives and should be of concern to senior management and requires prompt specific action'.</p> <p>Target date: 31/03/2023</p>
	<p>▶ The Workplace Health intranet page had not been updated regularly resulting in the list of Workplace Health Champions not being accurate. The Council uses television screens in its Rushcliffe Arena office however, this has not been used to raise awareness to staff of the identity of the Workplace Health Champions (Finding 3 - Medium)</p>	<ol style="list-style-type: none"> 1. The Workplace Health Group should appoint a member of staff responsible for managing the intranet content on the Workplace Health page. They should ensure that the list of Workplace Health Champions is up to date (and amended if they change in the future), that upcoming events are publicised and that wider articles from other charities/research bodies are published on a monthly basis 2. The Workplace Health Group should seek to have the names and images of the Workplace Health Champions on the television screens in the Rushcliffe Arena office to provide a visual notification to staff on who they can contact for support/guidance for employee health and well-being 3. The HR team should include the following elements within its overarching Health & Well-being Strategy (see Recommendation 1): <ol style="list-style-type: none"> a. A communication strategy outlining the methods and channels for communicating initiatives and support to staff. This should utilise existing resources such as the intranet, Staff Matters, television screens, inductions, departmental meetings and posters in communal spaces at the Rushcliffe Arena office. b. Named individuals or roles for the responsibility for managing the intranet and other communication channels c. An 'Annual Communication Workplan' to outline when certain messages will be updated on the intranet to time with the national calendar of events. <p><u>Management Response:</u> It is agreed that the intranet page is out of date and a process should be implemented to ensure that this is reviewed and updated regularly. We will also look at options for promoting the details of both Workplace Health Champions and MHFA's. The wellbeing workplan is discussed at quarterly meetings ensuring we plan for the next 3 to 4 months. This currently works well, but we need to ensure that the information is reflected on the Intranet</p>

	<p>Target date: 31/03/2023</p>
<p>Feedback/evaluations from participants of health and well-being events are not obtained to support future planning of initiatives (Finding 4 - Low)</p>	<p>The Workplace Health Group should identify mechanisms to obtain feedback on the effectiveness of the well-being events that they deliver.</p> <p><u>Management Response:</u> This has already been discussed with the Workplace Health Champions and we will aim to obtain feedback where possible at future events. The mechanism for obtaining feedback may differ based on the event and whether it's face to face etc.</p> <p>Target date: 31/01/2023</p>
<p>▶ The well-being survey undertaken in October 2021 only received 21 responses from staff, possibly due to the survey not being promoted through Staff Matters and other communication platforms with staff. Although, other Council-wide staff surveys had a c66% response therefore, this was an isolated instance (Finding 5 - Low)</p>	<p>In conjunction with Recommendation 4, the Workplace Health Group should consider the most effective platforms to communicate any well-being surveys with staff to maximise the response rate. We would expect that at a minimum the survey should be publicised through Staff Matters and on the Workplace Health intranet page. Response rates should be monitored at intervals whilst the survey is open and, if the response rate is lower than desired, reminder emails should be sent to all staff.</p> <p><u>Management Response:</u> This recommendation is based on poor response rate to one survey that was sent out. At the time of the audit I was unable to advise whether the survey was sent out via email, through staff matters and whether a reminder was sent out. I believe the response was low as a majority of staff were probably not interested in any further wellbeing activities. I can confirm that every effort is made to ensure that different forms of communication are used to engage with staff.</p> <p>Target date: 31/01/2023</p>
<p>The biennial staff survey did not include any questions relating directly to health and well-being within the Council or the effectiveness of the EAP. However, the surveys did identify a positive culture within the Council which is indicative of the work being undertaken to support staff health and well-being. Additionally, the reporting of the survey does not provide a comparison to the previous survey results, thereby failing to identify the direction of travel of employee responses. We were informed that comparisons were provided verbally (Finding 6 - Low).</p>	<p>1. The biennial staff survey should be expanded to include a section on staff health and well-being. Within this section the Council should add questions around the following areas:</p> <ul style="list-style-type: none"> a) Accessibility of the EAP b) Effectiveness of the EAP and counselling service in providing support/guidance - this question should have a 'Not applicable' response option as not all staff may have used it c) Whether staff believe there is a positive environment around considering staff welfare d) Approachability of the Executive Management team and line managers on welfare/well-being matters e) Whether staff are aware of the channels through which they can receive additional support. <p><u>Management Response:</u></p>

		<p>Survey questions generally remain similar to previous years to enable comparisons to be made. Consideration will be given to including more wellbeing related questions in future surveys.</p> <p>Target date: 31/12/2023</p>
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 CONCLUSION	<p>Overall we have provided Moderate assurance over both the control design and effectiveness of the Council’s management of Health and Well-being with three medium and three low findings.</p> <p>The positive culture and commitment towards supporting employee health and well-being was evident through its regular initiatives and dedicated Workplace Health Group structure. However, many of the processes to establish and guide future activity for health and well-being had not been formalised. The Council has not adopted a formal Employee Health and Well-being Strategy outlining its vision, short and long-term objectives, and roles and responsibilities for health and well-being. Additionally, whilst sessions and events are organised for staff, there is not a consistent approach for obtaining feedback from participants to guide future initiatives. Staff Matters was well utilised with frequent articles published around health and well-being to support staff. However, other communication platforms such as the Workplace Health intranet page were not maintained, potentially reducing staff awareness around health and well-being activities.</p>
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SECTOR UPDATE

This briefing summarises recent publication and emerging issues relevant to local government that may be of interest to your organisation. It is intended to provide a snapshot of current issues for senior managers and Members.

GOVE 'REVIEWING' INVESTMENT ZONES

Levelling up secretary Michael Gove has said he is “reviewing” investment zones, days after rejoining the government. Asked during Sophy Ridge on Sunday whether investment zones are still happening, Mr Gove said: “I’m reviewing them.”

Investment zones were part of the mini-budget announced during Liz Truss’s administration and have been set out to offer particular areas the ability to set lower taxes for businesses and relaxed planning laws to encourage development. The policy was led by former levelling up secretary, Simon Clarke, who was replaced last week in Rishi Sunak’s reshuffle by Mr Gove.

An initial 38 local authorities were listed as having expressed an early interest in having an investment zone and were invited to place bids at the beginning of October. LGC identified 14 councils, which had collectively submitted 82 bids for an investment zone site. Mr Clarke had told parliament that hundreds of bids had been submitted.

“We need to make sure that any change we make is one which of course helps to support economic growth and good jobs for people in need,” Mr Gove said. He added that one of the “concerns raised about investment zones was the impact on the environment”.

“I have been very clear and the prime minister has been very clear that under no circumstances will we weaken environmental protections,” Mr Gove said. The levelling up secretary said he will be working with the chancellor, environment secretary and the prime minister on investment zone proposals. “Anything that might in anyway undermine environmental protections is out,” Mr Gove added.

[Gove 'reviewing' investment zones | Local Government Chronicle \(LGC\) \(lgcplus.com\)](#)

FOR INFORMATION

For the Audit Committee Members and Executive Directors



JUNIOR MINISTER GIVEN LOCAL GOVERNMENT BRIEF

Lee Rowley has become the local government minister at the Department for Levelling Up, Housing & Communities. He has been housing minister at DLUHC since September. He confirmed the appointment on Twitter this morning and said: “Delighted to become the local government minister at @luhc - looking forward to working with councillors, officers and communities across the UK to show the difference that excellent local government makes to all of our lives.”

The department has not announced what the other three MPs at the department will be responsible for and DLUHC told LGC this information would be updated on its website later. Previously the local government roles was held by someone who had a more senior position as a minister of state, but Mr Rowley is a parliamentary under secretary. There had been some criticism that Mr Rowley, as a junior minister, was too inexperienced to hold the housing brief, which in the past had been done by a more experienced minister of state.

Last month the Conservative MP Bob Blackman, who authored of the Homelessness Reduction Act 2017 and chair of the all party parliamentary group for ending homelessness, told LGC he was “very unhappy” about DLUHC’s previous ministerial line-up.

He added: “There is a new minister [Lee Rowley], who is a good mate of mine but who knows nothing about housing.” Mr Rowley’s move to local government minister does mean that the housing portfolio could go to Lucy Frazer, who recently joined the department as its only minister of state. Earlier this week she attended the launch of the New Homes Quality Board.

[Junior minister given local government brief | Local Government Chronicle \(LGC\) \(lgcplus.com\)](#)

FOR INFORMATION

For the Audit Committee Members and Executive Directors

LGA RESPONDS TO PAC REPORT ON NET ZERO

In response to the Public Accounts Committee’s report on Net Zero, Cllr David Renard, Environment spokesperson for the LGA, said:

“As leaders of local communities, it is councils in our cities, towns and rural areas who will drive the collective action required to address the climate emergency.

“It is vital the Government acts fast to give councils the policy and investment framework as well as the powers and resources to deliver on the projects and culture changes that will make a difference in local communities and help achieve net zero.

“Councils want to turn ambitions and policy work into a deliverable plan for decarbonising and adapting places. This starts with properly understanding local carbon emissions and councils are already taking steps towards this by using the LGA Greenhouse Gas Accounting tool to provide a straightforward and consistent approach to calculate their own carbon baseline.





“Councils are rooted in their places where people live their lives and businesses do their business, and know their communities better than anyone else. This is why they are best-placed to lead the way towards a Net Zero future.”

[LGA responds to PAC report on Net Zero | Local Government Association](#)

FOR INFORMATION





For the Audit Committee Members and Executive Directors

KEY PERFORMANCE INDICATORS

QUALITY ASSURANCE	KPI	RAG RATING
The auditor attends the necessary, meetings as agreed between the parties at the start of the contract	All meetings attended including Governance Scrutiny Group meetings, pre-meetings, individual audit meetings and contract reviews have been attended by either the Director or Audit Manager	
Positive result from any external review	Following an External Quality Assessment by the Institute of Internal Auditors in May 2021, BDO were found to 'generally conform' (the highest rating) to the International Professional Practice Framework and Public Sector Internal Audit Standards	
Quality of Work	No surveys have been received as yet for 22/23	
Completion of audit plan	On track	

APPENDIX 1

OPINION SIGNIFICANCE DEFINITION

LEVEL OF ASSURANCE	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION	FINDINGS FROM REVIEW
 Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
 Moderate	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
 Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
 No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE DEFINITION

RECOMMENDATION SIGNIFICANCE

High



A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.

Medium



A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.

Low



Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.



FOR MORE INFORMATION:

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