

Audit and Standards Committee

Thursday 16 June 2022 at 5.00 pm

Town Hall, Sheffield, S1 2HH

The Press and Public are Welcome to Attend

Membership

Councillors Colin Ross (Chair), Ben Curran (Deputy Chair), Angela Argenzio, Simon Clement-Jones, Tom Hunt, Kevin Oxley and Garry Weatherall.

Independent Co-opted Members

Alison Howard.

PUBLIC ACCESS TO THE MEETING

The Audit and Standards Committee oversees and assesses the Council's risk management, control and corporate governance arrangements and advises the Council on the adequacy and effectiveness of these arrangements. The Committee has delegated powers to approve the Council's Statement of Accounts and consider the Annual Letter from the External Auditor.

The Committee is also responsible for promoting high standards of conduct by Councillors and co-opted members.

A copy of the agenda and reports is available on the Council's website at <http://democracy.sheffield.gov.uk>. You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday. You may not be allowed to see some reports because they contain confidential information.

Recording is allowed at meetings of the Committee under the direction of the Chair of the meeting. Please see the website or contact Democratic Services for details of the Council's protocol on audio/visual recording and photography at council meetings.

If you require any further information please contact Sarah Cottam in Democratic Services on 0114 273 5033 or email sarah.cottam@sheffield.gov.uk.

FACILITIES

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

**AUDIT AND STANDARDS COMMITTEE AGENDA
16 JUNE 2022**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of the Press and Public**
To identify items where resolutions may be moved to exclude the press and public.
- 4. Declarations of Interest** (Pages 5 - 8)
Members to declare any interests they have in the business to be considered at the meeting.
- 5. Minutes of Previous Meeting** (Pages 9 - 16)
To approve the minutes of the meeting of the Committee held on 24 March 2022
- 6. Internal Audit Plan 2022/23** (Pages 17 - 46)
Report of the Senior Finance Manager (Internal Audit)
- 7. Progress in High Opinion Reports** (Pages 47 - 64)
Report of the Senior Finance Manager (Internal Audit)
- 8. New Housing System and Project Update** (Pages 65 - 80)
Report of the Director of Housing and Neighbourhoods Service
- 9. Government Response to The Committee on Standards in Public Life Report** (Pages 81 - 96)
Report of the Director of Legal and Governance
- 10. Work Programme** (Pages 97 - 104)
Report of the Director of Legal and Governance.
- 11. Strategic Risk Reporting** (Pages 105 -122)
Report of the Executive Director, Resources
- 12. Dates of Future Meetings**
To note that meetings of the Committee will be held at 5.00 p.m. on:-

28 July 2022
22 September 2022
20 October 2022
17 November 2022
22 December 2022

19 January 2023
16 February 2023
09 March 2023
13 April 2023

ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest (DPI)** relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Audit and Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email gillian.duckworth@sheffield.gov.uk.

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SHEFFIELD CITY COUNCIL

Audit and Standards Committee

Meeting held 24 March 2022

PRESENT: Councillors Sioned-Mair Richards (Chair), Simon Clement-Jones (Deputy Chair), Angela Argenzio, Mohammed Mahroof, Josie Paszek, Ben Curran and Alison Howard

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence were received from Councillor David Barker.

2. EXCLUSION OF THE PRESS AND PUBLIC

2.1 No items were identified where resolutions may be moved to exclude the press and public.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest made at the meeting.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meetings held on 24 February 2022 were agreed as an accurate record.

4.2 The Chair read a statement to the Committee, which was produced by Democratic Services Team Manager, Sarah Hyde. This explained there was an error in the Annual Standards Report which was presented to the Committee on the 24 February 2022. The report stated there was {0} open cases although there was still 1 case going through the information gathering stage. The Acting CEO and Assistant Director Legal and Governance had both been in touch with the complainant to explain the situation.

4.3 The Assistant Director Legal and Governance agreed to follow up on circulation of the Procedure for dealing with standards complaints.

5. ANNUAL AUDIT REPORT 2020/21

5.1 The Committee received a report of the External Auditors, Ernst and Young (EY).

5.2 The Head of Strategic Finance explained the report concluded the audit for the year 2020/21. The report summarised the position on the audit opinion which was that there was a clear opinion.

5.3 Janet Dawson, EY, referred to the value for money commentary

section of the report. It was mentioned that there were 3 main areas in which EY had explored throughout the year.

- Financial Sustainability
- Governance
- Improving economy, efficiency and effectiveness

- 5.4 EY were satisfied the Council had sufficient arrangements in place to manage how decisions were made around these developments.
- 5.5 Members of the Committee asked questions and the key points to note were: -
- 5.6 The Acting Chief Executive, Eugene Walker, explained the Council's finances had become more pressured over the years. The Council's budgetary position was announced early last year in which the Council had accepted their position and worked alongside external auditors so the situation could be monitored appropriately. It was added that reports around the Council's budgetary position would be brought to future the Audit and Standards Committees.
- 5.7 A Member of the Committee welcomed regeneration in the city, although added concerns that since the Council had agreed to sign a lease for properties in the West Bar development, there could potentially be liable to pay rent for those properties.
- 5.8 A Member of the Committee was happy to see an error of £2.4m was picked up by the external auditors.
- 5.9 EY were asked what they thought were the Council's main risks were for the next 12 months. EY believed the main financial challenges would be around social care expenditure. EY added that they will continue to monitor how the Council intended to save money.
- 5.10 EY confirmed there was transactions with two previously undisclosed parties. These related parties were not disclosed by Members on their annual declarations.
- 5.11 The Head of Strategic Finance explained the importance of acting on errors found by EY, which were highlighted in their report. He added the Council were already working with EY to improve on these aspects for the following years. There was also a formal response to recommendations report on the work programme for June 2022.
- 5.12 **RESOLVED:** that **(1)** the Committee noted the report **(2)** the Group Whips ensure their party Members had their declaration of interest forms up to date and correct **(3)** the importance of filling in declaration forms correctly should be expressed in new Member training with examples provided; and **(4)** the Monitoring Officer was asked to send out a further reminder to members to review declarations, 6 months after the elections.

6. COMPLIANCE WITH INTERNATIONAL AUDITING STANDARDS

- 6.1 The Committee received a report of the Head of Strategic Finance which drew together much of the work that had been undertaken by the Audit and Standards Committee. It demonstrated that the Audit and Standards Committee had complied to meet the international standards on auditing.
- 6.2 The Head of Strategic Finance explained the report was brought to the Committee on an annual basis.
- 6.3 The Chair added that a private meeting with Members of the Committee and External Auditors should take place next year.
- 6.4 **RESOLVED:** that **(1)** members of the Committee confirmed that the report gave an accurate reflection of the reports they had received and considered throughout the year **(2)** Members also confirmed they now had an overview of the Council's systems of internal control so that they were assured that they were fulfilling the requirement of 'those charged with governance' under the International Auditing Standards; and **(3)** that a private meeting be scheduled for Members of the Committee and External Auditors.

7. EDUCATION HEALTHCARE PLAN UPDATE

- 7.1 The Committee received a report of the Director of Education and Skills.
- 7.2 The Director Education and Skills, Andrew Jones, agreed to circulate a glossary for the acronyms referred to in the report.
- 7.3 The Committee were informed that the Council's special educational needs (SEN) service was last inspected in 2018, in which 7 areas of significant weakness were identified. The service should then have been re-inspected 2 years after, although the pandemic delayed that from happening.
- 7.4 The SEN service had now recently been re-inspected, in February 2022 although the inspectors had not yet published their findings. Therefore, information presented to the Committee was following the 2018 inspection, and the service's self-evaluations carried out prior to the 2022 inspection.
- 7.5 The SEN service's self-evaluation believed that progress had been made across all the services. Although, it was added that more work is yet to be done.
- 7.6 It was mentioned that progress had been made to 6 of the 7 significant areas of weakness. Although the 7th area, which was multi-agency

transitions, was still a weakness for the service and will be a main area to target and improve. The service will still continuously improve the remaining 6 areas.

- 7.7 The Interim Head of SEN, Rosemary Ward, highlighted there was approximately 4041 children and young people that had Education Health and Care Plans (EHCPs) within the City. That constituted to approximately 5% of the child population in Sheffield.
- 7.8 In May to July 2021, the compliance within the 20 weeks Education, Health and Care Needs Assessment (EHCNA) process dipped from 32 to 18%, with 102 plans exceeding the statutory 20 weeks' timescale. (National average compliance for plan completion is between 55-65%). It was mentioned that had now risen to 61.8%.
- 7.9 The Committee were informed the SEN service had increased their staffing from 16 to 22 full time equivalent Inclusion Officers. There had also recruited to the 3 vacant manager posts therefore there was now 5 locality managers in post. They had recruited 2 new leaders, 1 for the Autism Team and 1 for HI/VI services. A new Principal Educational Psychologist were also now in post. They had also recruited a Post 16 Manager.
- 7.10 The SEN service had reviewed how they audited EHC plans. Following the Audit, they had decided to trial a buddy system where 3 members of staff would audit EHC plans on a triangulation system.
- 7.11 The SEN service did not have sufficient specialist places for children who need them, despite ongoing work with commissioners. It was added that commissioners had increased the amount of specialist places given to children over the previous year.
- 7.12 The Interim Head of SEN highlighted the new performance management structures put in place to ensure performance did not dip in the service again.
- 7.13 Members of the Committee asked questions and the key points to note were: -
- 7.14 A Member of the Committee raised the importance of understanding the acronyms and localities mentioned in the report. It was suggested that mapping areas of deprivation and affluency to where EHC plans had been issued in city would be welcomed. The Interim Head of SEN stated it was a known statistic, that the more affluent areas of the city had more EHC plans issued compared to the more deprived areas.
- 7.15 A Member thanked the Officers for the report although it was added the report needed to be more honest. The Member stated that being honest would allow the Committee to review and comment in detail, to help the service improve and ultimately support young people in the

city.

- 7.16 A Member of the Committee suggested that a SEND update report appeared at a future Audit & Standards Committee.
- 7.17 It was suggested that Officers in service travelled out to schools and worked more closely with them around support and delivering EHC plans. The Interim Head of SEN mentioned that the service did offer extensive training for schools which explored many processes in depth. They had also carried out lots consultation with schools to develop how the team around the schools operated.
- 7.18 A Member mentioned that a previous issue was around not having consistency between what the SEN service was saying in Committees and what parents in the city were saying to Councillors. Although now, it seemed that there was a lot more consistency happening, which was good to hear.
- 7.19 The Director of Education and Skills explained the funding for SEND came from a budget called the high needs block. This funding was not evenly distributed across the city. Different areas in the city would receive different amounts of funding depending on their level of priority. It was added that this could be highlighted in a future report to the Committee.
- 7.20 A Member of the Committee explained that it would be useful for the Committee to be informed when other Policy Committees were reviewing the same topics. It was added that it would be useful to have sight of the reports that went to Policy Committees, so that this Committee could identify areas that needed further consideration, or to inform them that certain areas had been looked at by Audit & Standards Committee, which did not need to be explored further by the Policy Committee.
- 7.21 The Director of Education and Skills informed the Committee that the localities referred to in the report, were set out that way due to a historic grouping of schools in the city.
- 7.22 **RESOLVED:** That the Committee **(1)** Noted the information set out in the report and appendices **(2)** Requested any further information or briefing on SEND **(3)** Supported and challenged regarding SEND development; and **(4)** received a further update report on SEND in the next municipal year.

8. CUSTOMER SERVICES CONTACT CENTRE PERFORMANCE

- 8.1 The Committee received a report of the Director of HR and Customer Services. The report provided an overview of 2021-22 year to date performance for Customer Services Contact Centre. The report identified issues that affected performance and identified future

developments and areas for improvement.

- 8.2 The Head of Customer Services, Paul Taylor, explained that a similar report was presented to the Committee in October 2021. It was mentioned that this report looked at quarter 3 for the financial year 2021/22 and quarter 4 up to the 28 February 2022.
- 8.3 The Head of Customer Services stated that performance in the Contact Centre had improved during March although agreed that there was a lot of work that still needed to be done to achieve a higher standard.
- 8.4 The Committee were informed that the contact centre was impacted following the pandemic which did influence performance. Most of the staff did begin to work from home and that was still the case for some members of the team. There was also several members of staff assisting with the Council's Test, Track and Isolate team although it was anticipated that they would return to the team at the end of March.
- 8.5 The Head of Customer Services believed the staff were working efficiently and was proud of how they dealt with high volumes of calls daily. It was added that the performance figures highlighted in the report was due to various factors such as delays with cross service enquires and losing 4 front line advisors.
- 8.6 The Committee were informed that improvement measures and future developments were highlighted under 5.1 of the report.
- 8.7 It was explained that there were new technological innovations taking place which would improve the customers experience, these were set to be trialled over the upcoming weeks.
- 8.8 Customer Services were also looking to cross skills two if the teams so that they were able to deal with enquiries relating to the others team. This would reduce delays in responding and relieve some pressure off the teams.
- 8.9 The Head of Customer Services referred to the Local Government Association's (LGA) peer review of the contact centre, mentioned in the report. Following the review, the LGA also stated that some grant funding may become available.
- 8.10 There was an ambition to deliver a customer portal, that informed customers on the position of their enquiry. This aimed to reduce the number of follow up calls. The LGA funding would partly fund that project.
- 8.11 Members of the Committee would be welcome to observe members of staff in customer services and also to test new innovations if they wished.

- 8.12 Members of the Committee asked questions and the key points to note were: -
- 8.13 A Member of the Committee raised concerns around the pace at which the contact centre was improving. It was mentioned that it was continuously being stated that new developments would be put in place which would improve the performance, although nothing seemed to really change or make a difference. The Member sympathised with members of staff and mentioned the underlying issue was that residents have problems directly contacting other areas in the Council. Therefore, they had to contact the contact centre. The Head of Customer Services agreed with the comments made by the Member of the Committee. It was added that a new telephony system was introduced during the pandemic which had also led to introducing new innovations such as live chat.
- 8.14 The Head of Customer Services mentioned how it was important to deal with issues the first time around, so that residents were not trying to contact the contact centre constantly to follow up on their enquiry.
- 8.15 A Member raised concerns as residents could potentially receive phone call charges whilst waiting for the contact centre to answer their call. It was also suggested that future reports also outlined the quickest and slowest answer times, along with the averages so the Committee had more indication of how long some people had to wait. The Member also suggested that the Committee saw a timeline of when mentioned developments were likely to be implemented. The Head of Customer Services agreed to circulate a document to the Committee on this.
- 8.16 A Member did not believe that following the same approach continuously, would solve any of the issues raised at the meeting and highlighted in the report. It was stated that the same promises were constantly been brought up at Committee, yet there was not much progress on performance over the past several years. It was mentioned that a wider approach needed to be carried out, to look at how the fundamentals could be changed to improve performance. The Acting Chief Executive, Eugene Walker, stated there was many aspects the Council needed to consider before looking to change the fundamentals within customer services. A lot of the issues were cross service issues therefore, joined up working needed to be improved and there needed to be a clear and realistic plan for the Council to follow. The Acting Chief Executive agreed to take Members comments away and bring back a report to the Committee that addressed these issues.
- 8.17 **RESOLVED:** That the Audit & Standards Committee **(1)** considered the report in order to provide its view on the performance of the Contact Centre and the issues raised **(2)** received a timeline of when developments were to be implemented by the Head of Customer Services; and **(3)** received a report of the Acting Chief Executive

following discussions from the committee at 8.13 to 8.16 above.

9. ANNUAL HOUSING OMBUDSMAN COMPLAINTS REPORT 2020/21

9.1 The Committee received a report of the Director of HR and Customer Services and the Director of Legal and Governance.

9.2 The Housing Ombudsman had now issued annual Landlord performance reports for 2020-21 but had only done so for those landlords that had 5 or more cases determined during 2020-21. For all Landlords with less than 5 determinations they had issued basic decision data in a table. This was highlighted in the report.

9.3 **RESOLVED:** The Audit & Standards Committee noted the limited information published by the Housing Ombudsman in respect of Sheffield City Council for the 2020-21 period.

10. WORK PROGRAMME

10.1 The Committee considered a report of the Director of Legal and Governance that outlined the work programme for the remainder of the municipal year. Members were asked to identify any further items for inclusion.

10.2 The Committee agreed to include an update on SEND report to the work programme which would be brought to the Committee around September/October 2022. As mentioned above at 7.22 of these minutes

10.3 The Committee agreed to include a report of the Acting Chief Executive to the work programme as agreed above at 9.3 of these minutes.

10.4 **RESOLVED:** - that **(1)** the work programme be noted; and **(2)** that the reports mentioned above at 10.2 to 10.3 be included on the work programme.

10.5 Following the conclusion of items on the agenda, the Committee received a report of the Head of Strategic Finance. The purpose of this report was to provide Members of the Audit and Standards Committee with information on the reallocation of tasks following the retirement of the current Head of Strategic Finance in March 2022.

10.6 The Chair thanked the Committee for their work throughout the year and wished them well for the following year.

11. DATES OF FUTURE MEETINGS

11.1 It was noted that the next meeting of the Committee would be held on 16 June 2022.



Audit and Standards Committee Report

Report of **Linda Hunter, Senior Finance Manager (Internal Audit)**

Date: **16th June 2022**

Subject: **Internal Audit Tactical Plan 2022/23**

Author of Report: **Linda Hunter**

Summary:

The report presents the Internal Audit planning methodology and programme of work for 2022/23.

Recommendations:

In respect of the provision of the statutory Internal Audit function and in order to comply with best professional practice (including Public Sector Internal Audit Standards - PSIAS) it is recommended that Members endorse the attached programme of work for 2022/23.

Background Papers:

Category of Report: **Open**

* Delete as appropriate

Statutory and Council Policy Checklist

Financial Implications
No Cleared by Linda Hunter
Legal Implications
NO Cleared by:
Equality of Opportunity Implications
NO Cleared by:
Tackling Health Inequalities Implications
NO
Human rights Implications
NO:
Environmental and Sustainability implications
NO
Economic impact
NO
Community safety implications
NO
Human resources implications
NO
Property implications
NO
Area(s) affected
Corporate
Relevant Scrutiny Committee if decision called in
Not applicable
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

REPORT TO SHEFFIELD CITY COUNCIL AUDIT AND STANDARDS COMMITTEE 16th June 2022

Senior Finance Manager Report – 2022/23 Work Programme

Purpose of the Report

1. The purpose of this report is to present and communicate to members of the Audit and Standards Committee the internal audit plan for 2022/23.
2. The audit plan that has been developed needs to be flexible and reactive, to respond promptly to changing issues and risks that require Internal Audit review and input. At mid-year (September 2022) members of the Audit and Standards Committee will be provided with an update on the audit plan.
3. The audit plan has been developed in a time of significant challenge and change as the Council continues to respond and recover from the Covid 19 pandemic.

Background

4. The strategy for Internal Audit is to focus on areas of high-risk activity in order to provide independent assurance that risk and internal control systems are being properly managed by Directors in service areas.
5. The plan has been developed to ensure sufficient coverage across the Council to inform the overall internal audit opinion, required as part of the Accounts and Audit Regulations. Management are asked to contribute to the planning process; however, the plan and its contents are entirely the responsibility of Internal Audit.
6. Three years ago, an allocation of internal audit resource was re-assigned from assurance work to offer advice and guidance for services as change projects occurred – this was entitled **Internal Audit Business Partnering**. Throughout the course of 2019 to 2022, this resource was used to deliver a number of activities and was very positively received by Portfolios. It also enabled Internal Audit to obtain assurances about new systems and processes as they were established and so will assist as the annual internal audit opinion is developed.
7. The Covid 19 pandemic has already had an impact on the work undertaken by Internal Audit. A number of areas have already been audited and more have been highlighted by Portfolios as significant risk areas and concerns are highlighted. The tactical plan has been developed to reflect some of these key issues. This will enable more significant risk areas to be audited as the priority for 22/23.

Planning Methodology

8. To develop a work programme for the use of Internal Audit's resources, consideration is given to the following:
 - The corporate risk management process including the corporate risk register and portfolio risk management plans.
 - The information provided by Directors under the Annual Governance Statement (AGS) process.
 - The areas of highest perceived new or emerging risk as determined by the Interim Chief Executive/Executive Directors/Directors/Heads of Service/Senior Finance Managers/ Finance and Risk Managers.
 - Learning from other Core Cities and South West Yorkshire Group (SWYG) and more general best professional practice.
 - The outcomes from the internal audit risk-scoring methodology.
 - Grants that specify in the grant determination letter that the Head of Internal Audit needs to verify and sign off.

Utilisation of the Corporate Risk Management Arrangements

9. The current risk management process requires service areas to consider risks and either manage and mitigate risks or escalate them up through a process to leadership teams and/or Performance and Delivery Board. The information contained within the corporate risk register and portfolio/service risk management plans provide a broad range of risks facing the Council and identifies risk controls, costs, escalation process etc. A number of the higher risk rating entries on the registers/risk management plans have been included in the audit plan. In addition to this process, current risks emerging from the Covid 19 pandemic are being identified by Portfolios and recorded and reported as part of the risk management process.
10. Effective from January 2019, the risk management team moved under the remit of the SFM Internal Audit. There is a close correlation between the work undertaken within the two areas and closer collaborative working has informed both the scope and content of individual audits reviewed to date. During internal audit fieldwork, auditors are also conducting compliance checks regarding adherence to risk management processes. This will continue for 22/23.

Utilisation of the Annual Governance Statement

11. The process for collating information to produce the AGS is managed by Legal and Governance. The Assurance Statement is designed around key governance themes such as Legal, Financial and HR compliance. The returns, which Directors submit and sign up to, provide a wealth of information on how some of the most important internal control arrangements are managed within services. Internal Audit and Risk Managers review this information when identifying areas for the audit plan.
12. In addition, Internal Audit will perform a review of the annual governance statement process to provide assurance that it operates effectively.

Structure of the Plan

13. The format of the tactical plan remains similar to last year, with sections for each portfolio (which includes the business partnering allocation), a section for corporate reviews and then resources dedicated to fraud investigation work and statutory main financial system reviews. The key change to the tactical plan for 22/23 is the removal of Place Portfolio and replacement with Operational Services and City Futures.
14. Where a portfolio or corporate risk register entry exists for a particular auditable area, this is identified on the tactical plan. In scoping each individual audit, the key governance themes of the AGS are considered. More than one theme may be included within the scope of a single audit. All AGS themes are covered to varying degrees and this will help to support the internal audit opinion on the governance, risk and control environment which is provided to the Audit and Standards Committee annually in September.

Fraud Allegations (Re-active investigations)

15. An allocation of time is included in the plan to provide for the investigation of allegations of fraud, theft, and corruption. This allocation was increased for 21/22 because we were fully aware that a significant amount of grant payments had been made to individuals and businesses and therefore there was an increased risk of fraudulent activity/claims. This increased allocation has remained for 22/23.
16. Some investigations are carried out directly by Internal Audit and for others Internal Audit provides support to management for them to carry out their own reviews.

Pro-active Counter Fraud Work

17. The National Fraud Initiative (NFI), under the remit of the Cabinet Office, has grown in recent years and will probably continue to expand. It is no longer exclusively focused on housing benefit fraud, as new areas of scrutiny continue to be added e.g. SCC data matched with HMRC, as well as COVID business grant data.
18. Internal Audit continues to administer the system and oversee the submission of data for the NFI, the process works (on the most part) on a 2-year cycle, with the exception of grants and Single Person Discount, that are done annually. 2022/23 is a submission year. Data sets will be request from the organisation and delivered to the Cabinet Office for data analysis later in the year. We will ensure that data privacy notice requirements have been adhered to. There is also a need to grant access for services to upload information and to ensure data quality standards are met. Data matches will be received later in the year. Internal Audit monitor the matches distributed to the relevant service areas for review, investigation, and correction where necessary. Internal Audit also have reports to review and investigate, this work will be carried out during quarter one of 2022/23. Internal Audit will ensure the match work is completed to the required standards and timescales and subsequently report on the outcomes later in the year.
19. In addition to the above Internal Audit has four pieces of proactive fraud work planned. These reviews look at activities that are more susceptible, by the nature of what they encompass, to fraud. Internal Audit examines each activity's overall fraud risks to ensure that all the areas of fraud have been identified. These exercises have been successful in identifying weak or inconsistent controls and management arrangements.
20. The work on proactive fraud may subsequently lead to more specific case investigations. Flexibility is therefore required in the use of the fraud investigation resource. Nevertheless, if the volume of fraud allegations increases, or a large-scale investigation becomes necessary, resources will be transferred from other areas of the internal audit plan.
21. Last year, the fraud awareness e-learning course was refreshed, and this has now been concluded by the Internal Audit team. This course is mandatory training for all managers and available for all staff across the Council to complete on the Development Hub.

Main Financial Systems (MFS)

22. Internal Audit reviews the key financial systems of the Council every year, and this aspect of the work of Internal Audit is crucial in supporting the S151 officer responsibilities.
23. From April 2018, Internal Audit introduced a cyclical testing regime for the MFS reviews, which will involve a full system review in year 1 followed by transaction testing, which meets External Audit requirements, in year 2.

Risk Based Audits of Systems/Services/Functions in each Portfolio

24. The resource not utilised on the above elements is devoted to undertaking reviews of the areas of most perceived risk as identified by Internal Audit in consultation with key officers i.e. principally the Executive Directors and Directors.
25. At the beginning of each audit assignment the relevant Service Manager will also be consulted to ensure that current risk areas are included in the remit for the work.

Internal Audit Business Partnering

26. In 2019/20 an allocation of internal audit resource was re-assigned from assurance work to offer advice and guidance as change projects occurred – we entitled this **Internal Audit Business Partnering**. Throughout the course of 2019 to 2022, this resource was used to deliver a number of activities and was very positively received by Portfolios.
27. By reassigning some of the available resource, we were able to take a proactive, supportive role to assist services in embedding change. It also enabled Internal Audit to obtain assurances about new systems and processes as they were established and so will assist in as the annual internal audit opinion is developed.
28. The Business Partnering resource will continue to be monitored as part of the performance indicators for Internal Audit.
29. Two specific pieces of Business Partnering work have already been added to the plan (in addition to the individual Portfolio Business Partnering contingency allocations). These reviews will provide support and advice, in addition look at the processes and systems being developed to manage new activity/changes to current activity in relation to Adult Social Care (expenditure) and the replacement of the Housing Management system.

30. Internal Audit is also a 'core' member of the Finance Design Assurance Group (FDAG) so some Business Partnering resource has been assigned to this area of work. The Group works with key stakeholders across the organisation, to oversee the development of robust yet flexible financial design principles that supports the development of changes to systems or the organisation structure or scope of operations with financial implications. The Group assesses proposals that have a material impact on the Council's financial systems and processes and considers impact assessments. Finally, to provide assurance on relevant project and programme deliverables and outcomes and compliance with the Council's financial strategies.

Summary of the Audit Plan

31. The following represents the summary of the planned audit time for the current year.

Auditable Area		Days	% of the total
Corporate Reviews		39	3
City Futures	Assurance	38	3
	Business Partnering	55	4
Operational Services	Assurance	111	7
	Business Partnering	0	0
People	Assurance	418	28
	Business Partnering	74	5
Resources	Assurance	442	29
	Business Partnering	65	4
Main Financial Systems	Assurance	42	3
	Business Partnering	0	0
Investigations	Assurance	164	11
	Business Partnering	40	3
Total		1,488	100%

Assessed Priority	Outputs
High Priority	85
Medium Priority	0
Low Priority	0
Statutory	23
Total	108

32. Attention is also drawn to the first call list (last page/tab of the plan), which highlights the reviews identified during the planning process which will not be completed in 2022/23. In most cases, there are service-based reasons why an audit review cannot be undertaken in 2022/23.
33. The first call lists are effectively the 18 month audit plan, as reviews included on first call lists will be included in the plan for 2023/24, assuming they are still relevant.
34. The 2022/23 annual plan is attached at Appendix 1.

Future Considerations

35. Throughout the coming year, Internal Audit will evaluate the plan to ensure we are directing internal audit resources at the main risks facing the authority.
36. It is recommended in the Public Sector Internal Audit Standards that any significant changes to the plan are also reported to the Audit and Standards Committee. As a result, Internal Audit have defined 'significant' as a 15% change to the audits ratified in the April 2018 meeting, and in the event of this level of change, will report to the November Committee.

FINANCIAL IMPLICATIONS

37. There are no direct financial implications arising from the report.

EQUAL OPPORTUNITIES IMPLICATIONS

38. There are no equal opportunities implications arising from the report.

CONCLUSION

39. The audit plan summarises a risk based programme of work which demonstrates that the Council has made provision to discharge its (and officers) statutory responsibilities.

RECOMMENDATION

40. In respect of the provision of the statutory internal audit function and in order to comply with best professional practice it is recommended that members endorse the attached programme of work for 2022/23.

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Overall Summary By Portfolio and Audit Type

2022/23

	Corporate*	City Futures	Operational Services	People	Resources**	Investigations	MFS	Total Days
Compliance Audits	19	0	0	8	0	0	42	69
Risk Based Audit	0	19	95	348	386	19		867
Business Partnering	0	55	0	74	65	40		234
VFM	0	0	0	0	0	0		0
School Control Risk Self Assessment	0	0	0	0	0	0		0
School Visits	0	0	0	25	0	0		25
Application Reviews	0	0	0	0	28	0		28
Follow Up Audits	0	4	0	0	4	0		8
Investigations	0	0	0	0	0	85		85
Pro-active Fraud Reviews	0	0	0	0	0	60		60
Grant certification / account sign off	20	15	16	37	24	0		112
Total Days	39	93	111	492	507	204	42	1488
No of audits	1	1	5	20	25	8	4	64
No of Business Partner reviews	0	2	0	3	3	3	0	11
No of follow-up reviews	0	2	0	0	2	0	1	5
Grant certification/account sign-off	1	1	7	11	2	0	0	22
School visits/reports	0	0	0	6	0	0	0	6
Productive Outputs***	2	6	12	40	32	11	5	108

exc reactive

High Priority	1	5	5	31	30	8	5	85
Medium Priority	0	0	0	0	0	0	0	0
Statutory	1	1	7	9	2	3	0	23
Total Outputs	2	6	12	40	32	11	5	108

exc reactive

* Cross cutting reviews covering multiple Portfolios

** Includes Sheffield One and Policy, Performance and Communications

*** excludes Business Partnering general resource

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
Corporate	Covid Grants	Grant certification / account sign off	Statutory	A contingency pot to be used during 22/23 when grants are identified. To provide an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		Yes
Corporate	Financial Governance	Compliance	High	A review of the effectiveness and consistency of financial governance across portfolios, and considering changes to reporting structures.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
City Futures Portfolio						
Cross Portfolio	Business Partnering	Business Partnering	High	Allocation to be called upon by management on an ad-hoc basis.		
Cross Portfolio	Financial Design Assurance Group (FDAG)	Business Partnering	High	To provide support to management in the development of systems and control frameworks to ensure that they comply with financial standards and best practice.		
Cross Portfolio	Grants - Contingency allocation	Grant certification / account sign off	Statutory	Contingency for grant sign offs required by service areas.		
Investment and Climate Change	Clean Air Zone (CAZ) programme	RBA	High	To provide assurance on the programme controls and governance of the CAZ scheme.		CR163
Follow up	Community Investment Levy (CIL)	Follow up	High	Follow up audit to establish progress against agreed recommendations.		
Follow up	Libraries - Traded Service	Follow up	High	Follow up audit to establish progress against agreed recommendations.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
Operational Services Portfolio						
	Moor Market charges sign off	Grant certification / account sign off	Statutory	To provide assurance that the service charge has been calculated methodically and all costs included are legitimate and eligible for the Moor Market.		
	Crystal Peaks market charges sign off	Grant certification / account sign off	Statutory	To provide assurance that the service charge has been calculated methodically and all costs included are legitimate and eligible for the Crystal Peaks Market.		
	Local Authority Bus Subsidy Grant (BSOG)	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with. Grant to support bus services and provision of infrastructure. Required by 30.9.22.		
Street Scene and Regulation	Pest Control	RBA	High	Provide assurance that the controls in place for the service are robust. This will include income generation and health and safety arrangements.	887	
	Licensing - Sports Ground	RBA	High	To provide assurance on the service controls in place to include stakeholders, safety advisers and the management of Freedom of Information (FOI) requests.	155/156	

	National Productivity investment fund- grant sign off (31/3222)	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with. Grant to support road improvements in specific areas of Sheffield.		
	Local Transport Partnership - grant sign off (31/3693)	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		
	Green Homes LAD (31-5337)	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		
Housing Services	Repairs and Compensation Scheme	RBA	High	To provide assurance on the governance, monitoring and reporting of the scheme.	426	
	Adaptations Service	RBA	High	To provide assurance on the governance and monitoring of the service - including asset management.		
	Protect and Vaccinate - (31/5912)	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		
Direct Services	Repairs and Maintenance Stores	RBA	High	To provide assurance on the management of the Repairs and Maintenance Stores.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
People Portfolio						
Cross Portfolio	Business Partnering	Business Partnering	High	Allocation to be called upon by People management on an ad-hoc basis.		
Cross Portfolio	Financial Design Assurance Group (FDAG)	Business Partnering	High	To provide support to management in the development of systems and control frameworks to ensure that they comply with financial standards and best practice.		
Cross Portfolio	Grants - Contingency allocation	Grant certification / account sign off	Statutory	Provision for any unknown grants that require auditing. May be due to change in requirements of grant funder or no notification from service for new grants.		
Adult Social Care (ASC)	Adult Safeguarding	Follow up	High	Follow up audit to establish progress against agreed recommendations. Original limited assurance opinion report.		
Adult Social Care	Case Note Recording	RBA	High	To review effectiveness of case note recording practice in Adult Social Care.	P4	
Adult Social Care	Direct Payments and Independent Service Funds	RBA	High	Assurance that the process and controls of £34m spend, and recovery through audits are effective.		
Adult Social Care	Prevention, Wellbeing & Independence	RBA	High	To determine if we are improving lives and outcomes of people and intervening early to promote wellbeing and independence.	P202 P15	
Adult Social Care	Effective contracts management in ASC	RBA	High	Review of effective management of ASC contracts.		
Adult Social Care	Equipment and Adaptations	RBA	High	Review of the services response times and impact on mitigating hospital admissions, discharges and care packages.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
Adult Social Care	Discharge Management	RBA	High	To assess the effectiveness of the process and monitoring and trajectory towards achieving ASC Outcomes Framework discharge measures. Will include effectiveness of Short Term Intervention Team role and cost/contribution implications with NHS.		CR155
Adult Social Care	Executor and Deputyship	RBA	High	An audit of the effectiveness of the deputyship and executor services, including the banking system.	P209	
Adult Social Care	ASC Expenditure	Business Partnering	High	Review of ASC expenditure and effectiveness against statutory requirements and people outcomes.		CR150
Adult Social Care	Disability Facilities Grant	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		
Education and Skills	Special Educational Needs and Disability (SEND) Tribunals	RBA	High	A review of the tribunal process which is financially costly and impacts on child and families.		
Education and Skills	Elective Home Care Education	RBA	High	Review of effectiveness of the service and support to families.		
Education and Skills	Dedicated Schools Grant	RBA	High	Assurance of the effectiveness of governance arrangements.		
Education and Skills	Holiday Activity and Food Grant	Grant certification / account sign off	Statutory	Internal Audit assurance of grant claim and compliance to terms and conditions.		
Education and Skills	Basic Needs Allocation (BNA)	Grant certification / account sign off	Statutory	For the first year DfE require Internal Audit assurance of this capital grants for school place provision.		
Education and Skills	Higher Basic Needs Allocation– School Places special	Grant certification / account sign off	Statutory	For the first year DfE require Internal Audit assurance of this capital grants for provision of school places to meet additional/higher need pupils.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
Education and Skills	Condition Funding	Grant certification / account sign off	Statutory	For the first year DfE require Internal Audit assurance of this capital grants to improve the condition of school buildings.		
Schools	Dobcroft School	Grant certification / account sign off	High	This school receives a collaborative fund grant from DfE who require an internal audit assurance. A cost for the audit can be charged to the grant.		
Schools	Talbot School	Grant certification / account sign off	High	This school receives a collaborative fund grant from DfE who require an internal audit assurance. A cost for the audit can be charged to the grant.		
Schools	School Financial Values Standards (SFVS)	Compliance	Statutory	To co-ordinate the return and complete the annual return to the DfE. Schools that do not complete the SFVS return for 2021/22 may be selected for an audit visit.		
Schools	Individual Schools	School Visit	High	Selection of approx. 5 schools for individual audit to give overall assurance on Schools management.		
Children and Families	Regional Adoption Agency	RBA	High	To review the effectiveness of the new arrangement and provide assurance that VFM is still effective compared to the previous operational model. To be done in conjunction with other 4 authorities.	P244	
Children and Families	Independent Reviewing Service	RBA	High	Assurance that this internal statutory function is effective and robust.	P251	
Children and Families	Service Governance to ensure delivering Best Value	RBA	High	Overall service review of business governance and approach to ensuring delivery of best value services.		CR172
Children and Families	Youth Justice	RBA	High	Assurance against the National Standards.		
Children and Families	Privately Fostered Children	RBA	High	Following inspection an audit to assess the effectiveness of any changes.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
Children and Families	Special Guardianship orders	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		
Children and Families	Building Successful Families (Payment by Results)	Grant certification / account sign off	High	Verification and validation checks on a 5% representative sample of the MAST cases.		
Communities	Anti Social Behaviour	Follow up	High	Follow up audit to establish progress against agreed recommendations. Original limited assurance opinion report.		
Communities	Youth Services	RBA	High	Assurance of effectiveness of Service following insourcing.		
Communities	Community Testing Fund Grant	Grant certification / account sign off	Statutory	Statutory responsibility - an audit opinion on the grant usage and assurance that the grant terms and conditions have been complied with.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
Resources						
Cross Portfolio	Business Partnering	Business Partnering	High	Allocation to be called upon by Resource management on an ad-hoc basis.		
Cross Portfolio	Financial Design Assurance Group (FDAG)	Business Partnering	High	To provide support to management in the development of systems and control frameworks to ensure that they comply with financial standards and best practice.		
Cross Portfolio	Grants - Contingency allocation	Grant certification / account sign off	Statutory	Provision for any unknown grants that require auditing. May be due to change in requirements of grant funder or no notification from service for new grants.		
Cross Portfolio	Financial Standards and Policies Group	RBA	High	To provide support to management in the development of Financial Policies and Standards systems to ensure that they comply with best practice.		
Cross Portfolio	Overspending areas	RBA	High	To review the monitoring arrangement for potential overspending and ensure that adequate rectification plans are in place to manage these.		
Finance and Commercial Services	Grants Governance process	RBA	High	A review of the governance process in place for the approval, usage and sign off of grants. Grant funding has become more common in recent years and this audit will provide assurance as to the robustness of the process.		
Finance and Commercial Services	Payment Card Industry (PCI) Monitoring arrangements	RBA	High	To provide assurance to management that the ongoing monitoring arrangements for PCI compliance are operating effectively.		

Finance and Commercial Services	Grants Governance and Service area Follow up	Follow up	High	Follow up of the grants review 2021/22		
Finance and Commercial Services	Integra Super User Function	RBA	High	To provide assurance to management, that the superuser function on integra is effectively controlled and monitored.		
Finance and Commercial Services	Alterations to User Bank detail in Integra	RBA	High	To provide assurance to management, that the processes for changing suppliers bank details in Integra are adequately controlled.		
HR and Customer Services	ITrent - systems process review	RBA	High	To review the new ITrent system in operation to ensure that data is accurately processed, payments are made in a controlled way and that key data and legislative requirements are being complied with.	R290	
HR and Customer Services/Finance and Commercial Services	Establishment control	RBA	High	To provide assurance to management that there are adequate arrangements over the control of establishment controls with the Council and that there payroll and finance systems are fully aligned.		
HR and Customer Services/Finance and Commercial Services	Agency Staffing	RBA	High	To provide assurance to management that there are adequate arrangements over arrangements to employ Agency staff. This review will cover the corporate recruitment arrangements and the process for determining requirements with budgets within services.		

HR and Customer Services/Finance and Commercial Services	Overtime	RBA	High	To provide assurance to management that there are adequate arrangements over arrangements for the payment of overtime. This review will cover the corporate payment arrangements and the process for determining requirements with budgets within services.		
HR and Customer Services	Complaints process	RBA	High	To provide assurance to management that the customer complaints processes are being adequately controlled.		
Legal Services	General Data Protection (GDPR) - Compliance in contracts	RBA	High	To provide assurance to management that the contracting arrangements of the Council in relation to third parties use of data is operated in accordance with the requirements of the GDPR.	352	
Legal Services	Corporate Assurance/ Annual Governance Statement (AGS) process	RBA	High	To provide assurance to management that the process for Directors assurance reporting which ultimately culminates in the AGS is operating effectively. This will ensure that the process includes input from all key stakeholders.	R146	
Legal Services	To sign off the accounts of the Lord Mayors Charity	Grant certification / account sign off	Statutory	To sign of the accounts of the Lords Mayors Charity in line with the charity commission regulations.		
Legal Services	Data Security and Protection (DSP) Toolkit	RBA	High	To provide assurance to management, that the Council is compliant with the DSP toolkit requirements.	R290	

Legal Services	Data Policies (review of the process for setting, management and reporting)	RBA	High	To provide assurance to management that the Council has the adequate Data Policies in place. That these are consistent and are reviewed and updated regularly and communicated appropriately.	146	
Legal Services	Governance Arrangements for the new Committee structures	RBA	High	To provide assurance to management that the new Committee structure arrangements are operating effectively.		
Legal Services	Freedom of Information (FOI)/Subject Access Requests (SAR) - Follow up	Follow up	High	Follow up of the SAR/FOI review		
BCIS	Desk Side	RBA	High	To provide assurance to management that the arrangement in place for recording IT faults and management of their resolution is operating effectively.	R290	
BCIS	Asset management	RBA	High	To provide assurance to management that all IT assets are correctly recorded and managed.	R290	
BCIS	Networks and Infrastructure	RBA	High	To provide assurance to management that the networks and infrastructure arrangements for the Council are robust and comply with best practice.	R291	
BCIS	Performance Management and reporting of Third Party suppliers	RBA	High	To provide assurance to management that the performance of third party suppliers is being managed and reported effectively.		
BCIS	Capita 1	Application review	High	To provide assurance to management on the controls in place for Capita 1 Application.		

BCIS	Application review - Total Management Application (replacing Callsys - for the management of Housing repairs)	Application review	High	To provide assurance to management on the controls in place for the new Total Management Application.		
BCIS / Housing	Replacement of the Housing management system	Business Partnering	High	To support to management on the governance arrangements for the replacement system for housing management.	R442	
Policy, Performance and Communications	Performance Management reporting	RBA	High	To provide assurance to management that the processes for the obtain and reporting on performance is effective.		
Chief Executives	Performance Accountability Process	RBA	High	To provide assurance to management that the processes for the performance accountability framework is operating effectively.		

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed Assurance to be obtained	CRR	PRR
Main Financial Systems						
	Debtors	Compliance	High	The system in place for managing and controlling debtors is working effectively and efficiently. Provides assurance to External Audit.		
	Creditors Non Standard Payments	Follow up	High	Follow up audit to establish progress against agreed recommendations. Original limited assurance opinion report.		
	Creditors (P2P)	Compliance	High	The system in place for managing and controlling creditors is working effectively and efficiently. Provides assurance to External Audit.		
	Council Tax	Compliance	High	The system in place for managing and controlling council tax is working effectively and efficiently. Provides assurance to External Audit.		
	Business Rates	Compliance	High	The system in place for managing and controlling Business Rates is working effectively and efficiently. Provides assurance to External Audit.		

	Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Portfolio RMP	CRR
	Investigations						
	Re-active Investigations	Time for investigations	Investigation	High	Undertake investigations and support service managers where there are allegations of potential fraud.	R158	
	Re-active Investigations	Advice to Management	Investigation	High	This is a resource to provide ad-hoc advice to management across the Council in relation on-going management investigations.	R158	
	Re-active Investigations	Report to Members on the outcome of the fraud Investigation work	Investigation	High	To coordinate the submission of data for the annual protecting the public purse exercise and for reporting this through to Members of the Audit and Standards Committee.	R158	
	National Fraud Initiative (NFI)	Data privacy notices	Business Partnering	Statutory	Legal requirement - There is a requirement under statute to provide data to the cabinet office, it is a requirement under GDPR to the council to notify individuals (by use of privacy notices) that data collected from individuals will be supplied for the purpose of fraud detection. This piece of work will verify that appropriate notice has been given to the individuals.	R147	
	National Fraud Initiative (NFI)	Facilitating the Data submission process	Business Partnering	Statutory	Legal requirement - This is to ensure that the data required by statute is provided to the Cabinet Office in relation to the NFI data matching exercise. This will involve reviewing the required data scripts and liaising with the relevant departments to ensure that the data is provided by the due date.	R147	

	National Fraud Initiative (NFI)	Data responses	Business Partnering	Statutory	Legal requirement - The responses to the data matching are received by January 2023. This will be to allocate the matches to services, to facilitate user and to provide appropriate training. The testing will take place in 2023/24.	R147	
	Governance Arrangements/ Pro-Active Fraud prevention/ National Fraud Initiative (NFI)	Council Tax Exemptions	Pro-active Fraud	High	To provide assurance to management that there are adequate arrangements in place within the processes for dealing with Council Tax exemptions to adequately prevent fraud.		
	Governance Arrangements/ Pro-Active Fraud prevention/ National Fraud Initiative (NFI)	Small Business Rates Relief	Pro-active Fraud	High	To provide assurance to management that there are adequate arrangements in place within the processes for dealing with Small business rates relief to adequately prevent fraud.		
	Governance Arrangements/ Pro-Active Fraud prevention/ National Fraud Initiative (NFI)	Anti Fraud Policies	Pro-active Fraud	High	To review and update the Councils Anti fraud policies and ensure that these are fully communicated.		
	Governance Arrangements/ Pro-Active Fraud prevention/ National Fraud Initiative (NFI)	Members Declarations of Interest	Pro-active Fraud	High	To provide assurance to management that the requirement for members to declare interests is operating effectively.		

	Resources- Housing Benefit	Housing benefit review (Assessments)	RBA	High	To provide assurance that the Council has adequate controls in place to control and monitor expenditure of housing benefit in line with the required regulations. Including regularity and the review of the system and application assessment.	R133 & R135	CR120

First Call List

Area	Audit Title	Audit Type	IA Assessed Risk	Proposed assurance to be obtained	Reason for inclusion on First Call
CORPORATE	Levelling up	RBA	High	Assurance on the efficiency and effectiveness of the Levelling up process in SCC.	Review at mid year - will allow to embed

PEOPLE

Communities	NEETS - Not in education, employment or training services	RBA	High	Assurance on the effectiveness of this service.	Not prioritised by leadership - review at mid year.
Corporate	Local Area Committees (LACs) - Governance controls	RBA	Medium	A review of the governance controls in place with regard to the newly established LAC and arrangements.	Review at mid year - will allow to embed
PLACE					
Operational Services - Housing	Disrepairs Process	RBA	Medium	A review of the controls in place for this service.	Work ongoing in service area at the moment.
Operational Services - Housing	Housing General Fund	RBA	Medium	To provide assurance on the management of the Housing General Fund.	As this service is consistently underspending - priority is given to other services.
City Futures - Investment and Climate Change	Electric Works - Governance and accounting	RBA	Medium	To provide assurance on the governance and monitoring of the rental income provided by the Electric works to SCC.	To be reviewed at the mid year point.
City Futures - Investment and Climate Change	Climate Strategy	RBA	High	To provide assurance of the robustness of the Councils Climate Strategy.	The audit of the CAZ will touch on elements on the climate strategy and provide some assurance - once this has been completed this can be reviewed at the mid year point.

Operational Services - Direct Services	Repairs and Maintenance Management System	RBA	High	Assurance review of the implemented Repairs and Maintenance management system.	To be reconsidered as part of the mid year review - allowing time for the system to be implemented.
Operational Services - Direct Services	Housing Repairs and Maintenance Purchasing cards	RBA	High	To provide assurance on the controls and management of the use of purchasing cards in the Housing Repairs and Maintenance Service.	A recent review undertaken by Resources identified strong controls in this area.
Operational Services - Direct Services	Transport Fleet Vehicle Replacement Programme	RBA	High	Assurance review of the £6m Fleet Replacement Programme for the Councils transport fleet.	Review progress of programme at the mid year plan point.
Operational Services - Parks, Amenities and Business Improvements	Libraries	RBA	Medium	Following the move to a new Portfolio, a review is planned to provide assurance on service controls.	Review at mid year point.

**REPORT TO SHEFFIELD CITY COUNCIL AUDIT AND STANDARDS
COMMITTEE
16th June 2022**

**Internal Audit Tracker Report on Progress with Recommendation
Implementation**

Purpose of the Report

1. The purpose of this 'rolling' report is to present to members of the Audit and Standards Committee progress made against recommendations in audit reports that have been given a high opinion (using the old system), a no assurance opinion, or a limited assurance with high organisational impact opinion (using the new system).
2. As the report tracks recommendations until they have been fully implemented, there will be a period when reports are included that use both the old and new style of internal audit opinion.

Introduction

3. An auditable area receiving one of the above opinions is considered by Internal Audit to be an area where the risk of the activity not achieving objectives is high and sufficient controls were not present at the time of the review. All reports will have been issued in full to members of the Audit and Standards Committee at their time of issue.
4. Where Internal Audit has yet to undertake follow up work, the relevant Portfolio managers were contacted and asked to provide Internal Audit with a response. This work included indicating whether or not the recommendations agreed therein have been implemented to a satisfactory standard. Internal Audit clearly specified that as part of this response, managers were required to provide specific dates for implementation, and that this information was required by the Audit and Standards Committee.
5. This report also details reviews that Internal Audit proposes to remove from future update reports because all agreed recommendations have now been implemented. The Audit and Standards Committee is asked to support their removal.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the report.

EQUAL OPPORTUNITIES IMPLICATIONS

There are no equal opportunities implications arising from the report.

RECOMMENDATIONS

1. That the Audit and Standards Committee notes the content of the report.
2. That the Audit and Standards Committee agrees to the removal of the following report from the tracker:
 - Information Security Incidents

Executive Summary

Reports received in full by the Committee

As agreed, the Audit and Standards Committee members will receive, in full, reports with no assurance (regardless of the organisational impact) and limited assurance with a high organisational impact. In addition, limited assurance, medium impact opinion reviews would be reported on a discretionary basis.

One review was added to the Recommendation Tracker report in December 21. This was not followed-up for the last report due to longer than usual implementation dates, and so are included in this report.

This report is:

- Adult Safeguarding

New reports added to this Tracker

For this period, 2 new reports have been added.

Title	Assurance	Impact
Assurance Reviews		
Disposal of IT Assets	Limited Assurance	High Organisational Impact
Creditors Audit Review of Non-Standard Payments	Limited Assurance	High Organisational Impact

Recommendation implementation

In total, updates have been provided on 29 out of 29 recommendations that are due for implementation. Of these, 16 (55%) have been implemented and 13 (45%) are ongoing, indicating work has been started but not yet fully completed.

Items to note

There are two critical recommendations ongoing in this report.

One is contained within the OHMS (Housing Management System) application review and relates to upgrading the system/new housing system. The process is at the preferred supplier stage and then awarding the contract. The test and build of the new system will start May/June 2022 and the dates for implementation of phase 1 set for Sept 2023. This process forms part of

the Place Systems Review. It will however take some time to implement all the functions in the new system and therefore a revised implementation date of December 2023 has been proposed. Executive Recommendation Lead – Ajman Ali will be attending the June 2022 Audit and Standards meeting to provide an update on this project.

The other ongoing critical recommendations is contained within the Adult Safeguarding report. It relates to working with Mental Health to identify ways the referral timeframe can be bought in line with other adults, and to mitigate any risks with the use of fast track or similar approaches. Executive Recommendation Lead – John Macilwraith.

This report has a RAG rating to easily identify the extent of the delays implementing agreed recommendations. A RAG rating key is provided at the end of the report.

Report to the Performance and Delivery Board

The tracker report was circulated to the Performance and Delivery Board on the 17th May 2022.

The Performance and Delivery Board are committed to ensuring audit recommendations are actioned promptly and effectively within the agreed timeframe and take full responsibility and ownership in managing and controlling the process. They acknowledge the increased risks if audit recommendations are not progressed promptly and will seek clarity and confirmation of mitigating controls in place whilst appropriate action is being taken in service areas. The Performance and Delivery Board will reflect on how this can be communicated throughout the Portfolios.

The Performance and Delivery Board discussed the outstanding critical recommendation relating to OHMS and fully support the Executive Lead attending the June 2022 Audit and Standards Committee meeting to discuss this outstanding recommendation.

The Performance and Delivery Board discussed the Direct Payments outstanding 'red' recommendations and agreed that the recommendation lead should attend a future meeting to provide and update on the progress with these recommendations. It was further agreed that the Performance and Delivery Board will encourage and provide opportunity for recommendation leads to attend the Performance and Delivery Board to discuss outstanding 'red' rated recommendations and proposed timelines. This will be opportunity to provide support and also gain a clear understanding of the outstanding recommendation and challenge where necessary.

The overall message is that service recommendation leads need to be proactive and address the agreed audit recommendations and risks in a timely manner.

The Performance and Delivery Board fully support and encourage the service recommendation leads to attend any future Audit and Standards Committee meetings to explain in more detail recommendation progress, issues and revised timeframes.

UPDATED POSITION ON TRACKED AUDIT REPORTS AS AT JUNE 2022

The following table summarises the implementation of recommendations, by priority, in each audit review.

Audit Title	Total				Complete				Ongoing				Outstanding	
	Critical	High	Medium	Ec/eff	Critical	High	Medium	Ec/eff	Critical	High	Medium	Ec/eff	High	Medium
Adult Safeguarding	5	6	6	1	4	3	3	1	1	3	3			
Information Security Incidents		2	1			2	1							
Software Licensing		1								1				
Hardware Asset Management		1								1				
OHMS Application Review	1								1					
Direct Payments		3	2			1	1			2	1			
Total	6	13	9	1	4	6	5	1	2	7	4			

Shaded items to be removed from the tracker

1. Disposal of IT assets (Resources) (issued to Audit and Standards Committee 3.2.22)

As at June 2022
Internal Audit: This report was issued to management on the 17.12.21. This report will be followed up and included in the next tracker.

2. Creditors Audit Review of Non-Standards Payments (Resources) (issued to Audit and Standards Committee 10.2.22)

As at June 2022
Internal Audit: This report was issued to management on the 27.1.22 with the latest agreed implementation date of 30.9.22. This report will be followed up and included in the next tracker.

3. Safeguarding (People) (issued to Audit and Standards Committee 4.10.21)

As at December 2021
Internal Audit: This report was issued to management on the 17.9.21 with the latest agreed implementation date of 31.12.22. This report will be followed up and included in the next tracker.
As at June 2022
Internal Audit: An update on progress with the recommendations is included below.

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Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Head of Service Quality and Safeguarding 4.5.22
1.1	The Performance and Audit Group that has recently been re-established should review the performance reporting to ensure there are clear targets, monitoring of trends, identification of action and monitoring of the effectiveness of action(s).	Medium	Simon Richards	1.4.22 Revised implementation date: 31.9.22	Action ongoing Sheffield Adult Partnership Board agreed to review performance measures and better define what good looks like. Performance and Audit Board will progress in Q2.

1.2	The Commissioning team are currently working with the Trust to clarify responsibilities and agree an assurance framework. It is recommended that the Head of Adult Safeguarding liaise with the Commissioning team to ensure the requirements of the Adult Safeguarding Partnership Board (ASPB) to effectively monitor Safeguarding performance is adequately reflected in that discussion, and regular reporting arrangements are put in place, and agreed by the ASPB.	High	Simon Richards	1.4.22 Revised implementation date: 31.9.22	Action ongoing Sheffield Health and Social Care providing data on a quarterly basis. Cessation of this was attributable to Covid pressures. Approach to focus on core data on a regular basis which will add value. Sheffield Health and Social Care Trust (SHSCT) performance data included in Performance Report to Sheffield Adult Safeguarding Partnership Exec Board. Work continuing to bring SHSCT reporting into line with SCC reporting. Options agreed as part of Multi Agency Safeguarding Hub (MASH) development.
1.3	That an appropriate representative from SCC Adult Social Care attends the Mental Health (ASCMH) Safeguarding Assurance Committee.	High	Sam Martin	31.12.22	Actioned Head of Safeguarding and Practice Development attended. Further attendance under review as Adult Social Care Mental Health Safeguarding to be integrated with mainstream Adult Social Care.
1.4	That the Practice Development Team should establish a risk register and a process to regularly review this register.	High	Simon Richards	31.12.22	Actioned Risk log discussed at Team Meeting and established. Identified risks to date. All risks to be reviewed at subsequent monthly team meetings.
2.1	In liaison with the Business Information and Liquid Logic teams, a review of the Liquid Logic system process should be carried out. Fields to record the relevant data, or other mechanisms, should be identified. Developments should be formally requested and implemented as soon as possible.	Critical	Janet Kerr	31.10.21	Actioned The performance is now monitored on the performance hub - currently 94.9% of initial responses completed within one day, however performance low of S42(1) - 16.2% New Safeguarding pathway has been created to combine the first two stages, this is to be implemented this month with the goal of aligning performance through best use of staff time. The timescale measures are incorporated into First Contact and Localities performance dashboards

					which go to management team meetings monthly. The overview of this performance then goes monthly to the Adult Social Care Leadership Team (ASCLT) Performance Clinic and also to PLT.
2.2	Relevant data and possible system developments should be reviewed to identify how performance can be improved, and an implementation plan put in place.	Critical	Janet Kerr	31.12.21	Actioned Links to 2.03. Amended auto reply to explain how to proceed outside of office hours. Business Support only 'screening' initial screen if abuse or neglect evident, ensuring this doesn't now trigger a Safeguarding episode.
2.3	The level of risk presented by referrals not being reviewed outside of working hours should be evaluated. A review of the process should be carried out to identify and implement appropriate mitigations.	Critical	Janet Kerr	31.12.21	Actioned As outlined above 2.2
2.4	Once recommendation 2.1 has been implemented and 48-hour performance is recorded then appropriate performance reports should be developed. These should be included in the Safeguarding Data Hub, Service Performance measures and regular performance reports to the Adult Safeguarding Partnership Board.	High	Simon Richards	1.4.22	Actioned Safeguarding performance measures, including those relating to timescales now embedded within ASCLT, Localities and First Contact performance dashboards.
2.5	To work with Mental Health to identify ways this timeframe can be bought in line with other adults, and to mitigate any risks with the use of fast track or similar approaches. To ensure allocations to Mental Health are consistently reported which potentially could help fast track clients previously referred.	Critical	Janet Kerr	31.12.21 Revised implementation date: 31.9.22	Action ongoing The target for all cases is 72 hours or 3 working days from the point of a referral which will screen and decide on the safeguarding/action necessary. Regardless of whether the decision is made by the Local Authority or Mental Health this timescale will be consistent for all referrals. The timescale for transferring referrals to Mental Health will be within a 24-hour period or 1 working day. A record is made on Liquid logic of each referral that is made to Mental Health. A record of the emails (current method to refer) are retained.

					This arrangement will continue until the necessary system and practice changes are made within the wider project and MASH work with Sheffield Health and Social Care Trust.
2.6	That an exception report or regular review is introduced to identify Abuse and Neglect contacts that have not had a safeguarding case opened within a reasonable time. A process for prioritising and resourcing these should be agreed.	Critical	Simon Richards	31.12.21	<p>Actioned</p> <p>Regular reporting of performance against agreed PIs via Safeguarding Dashboard. Performance reviewed at ASCLT on monthly basis.</p> <p>The First Contact team continues to manage new Safeguarding referrals, the number of referrals remain high, however since the support offered in the summer of this year this is now in a positive position. Response times have improved and Median number of days to complete S42 (1) has gone down.</p> <p>New work-flow design 'Test for Change' combined with positive impact of Agency reviewing team has reduced cases to normal levels.</p> <p>Backlog not anticipated to recur provided demand remains constant.</p> <p>In medium to longer term improvements implemented as part of the MASH options initiative will further strengthen resilience and improve performance.</p> <p>Cleared the initial backlog and there is regular monitoring in the ASCLT dashboard, this is being added to the First Contact dashboard and other service dashboards.</p>
2.7	That the process should be clarified to consider the best approach and be fully documented.	Medium	Janet Kerr	31.12.21	<p>Action ongoing</p> <p>The Hospital First Contact Team process for referrals and handoffs has now been documented.</p> <p>In most cases it will be appropriate for the Hospital Team to hand off the case to another team that already knows or has a relationship</p>

					with the person. There will always be decisions that require professional judgment to assist with these decisions. A protocol or set of principles will be written to support hand over decisions.
2.8	The list of social workers invited to training should be reconciled to Human Resources (HR)/Payroll and updated for new starters and changes on a regular basis. Any exemptions for attendance should be authorised by the relevant Head of Service on an individual or group basis.	Medium	Simon Richards and Andrew Drummond	31.10.21	Actioned HR have produced a report of all Care Managers, Social Workers and Team Managers. This report is cross checked against training attendance records to provide up to date and accurate log of who has and hasn't attended training
2.9	That the Service establish a routine process to quality assess performance using a risk-based approach as to the volume and specific cases to be reviewed.	High	Simon Richards	1.4.22 Revised implementation date: 31.9.22	Action ongoing Work progressing via wider work ASC Change Programme Governance Workstream Quality Practice and Performance Frameworks. Safeguarding practice and systems support in Localities will support this going forward.
2.10	The message to signpost to other parties where there is a risk to others should be reiterated to staff. Training on this topic should be targeted at the same audience as wider safeguarding training and monitored.	Medium	Simon Richards	31.10.21 Revised implementation date: 31.9.22	Action ongoing Training is available on PiPoT. (Persons in Position of Trust) This will be promoted, and staff will be encouraged to book onto it. A quick tip guide for practitioners on how to manage and record the PiPoT process was available December 2021. For PiPoT concerns that are managed as part of a Section 42 enquiry it will be made clear that referrals to professional bodies must be recorded, on the LAS recording system as part of the enquiry action. PiPoT concerns that are referred and connected to issues that arise in the persons private life (not S42) are scheduled for improvements as part of the MASH project.

3.1	It is recommended that representatives from the voluntary sector and independent providers are sought to be part of Adult Safeguarding Partnership Board. To find suitable representatives by potentially contacting Voluntary Action Sheffield, and the Care Provider Alliance or National Care Association and also seeking advice from Commissioning with regard to provider involvement.	Medium	Simon Richards and Tina Gilbert	1.4.22	Actioned Representative from Carers Centre has joined the ASPB and endorsed by VAS
3.2	The Terms of Reference should be updated and should review the diversity of the membership to represent all groups impacted by safeguarding risks. Ways to identify hard to reach groups should be considered and liaison with relevant 3rd sector organisations may provide suitable nominations.	Medium	Simon Richards and Dawn Shearwood	1.4.22	Actioned Workshop held with Customer Forum, the Terms of Reference have been reviewed and updated and are now signed off.
3.3	The introduction of an action tracker is recommended to ensure all actions are followed through. Responses to formal questions raised with other Boards should be documented in writing in subsequent Forum agendas.	Efficiency/ Effectiveness	Simon Richards and Dawn Shearwood	31.10.21	Actioned Tracking system in place now for actions for the Customer Forum, Tracker system in place for questions to City Wide Best Practice group. These are in place and being used.
3.4	That work is carried out in liaison with Mental Health to provide the same evaluation of outcomes and satisfaction as other adults, and an implementation plan and timetable is put in place.	High	Simon Richards	1.4.22 Revised implementation date: 31.9.22	Action ongoing SHSC providing data on Quarterly basis. Cessation of this was attributable to Covid pressures. Approach to focus on core data on a regular basis which will add value. SHSCT performance data included in Performance Report to SASP Exec Board. on Work continuing to bring SHSCT reporting into line with SCC reporting. Options agreed as part of MASH development.

4. Information Security Incidents (Corporate) (issued to Audit and Standards Committee 21.1.20)

As at Sept 2020
Internal Audit: This report was issued to management on the 12.9.19 with the latest agreed implementation date of 31.12.19. An update on progress with the recommendations is included below.
As at April 2021
Internal Audit: An update on progress with the recommendations is included below.
As at December 2021
Internal Audit: An update on progress with the recommendations is included below.
As at June 2022
Internal Audit: An update on progress with the recommendations is included below.

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Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Sarah Green Senior Information Management Officer / Data Protection Officer on 6.5.22
4.1	<p>Incident management reports to be completed for all incidents regardless of risk. Where risk is lower, reports can be tailored to reflect this - with only key details recorded.</p> <p>The report to be sent to the relevant Head of Service/Information Asset Owner for sign off and agreement to actions.</p> <p>The report to be retained within the relevant G Drive folder.</p>	High	Mark Jones, Senior Information Management Officer	December 2019	<p>Actioned</p> <p>Security incidents are reported to the relevant Head of Service/Information Asset Owner. The report included synopsis, mitigations, outcome and 'learning outcomes and actions'. The report is retained within the security incident.</p>

5.1	Information management team to establish programme of checking on agreed actions (in conjunction with the Information Governance Working Group). Priority to be given to high-risk incidents.	Medium	Mark Jones, Senior Information Management Officer	December 2019	Actioned High risk incident reports to be shared at IGWG. The IGWG members will review outstanding actions and support the progress of these.
5.2	Once incident management reports have been produced, review how the information gathered can be presented to the IGB as part of quarterly reporting on information security incidents (this can be undertaken in conjunction with the Information Governance Working Group - IGWG). The reports should be used to support greater trend analysis in reporting to the Board so that support and training can be targeted where appropriate.	High	Mark Jones, Senior Information Management Officer	December 2019	Actioned ServiceNow provides analysis of data, for example, types of incidents, services impacted etc so that trends can be picked up and specialised training devised, if needed.

5. Direct Payments (People) (issued to Audit and Standards Committee 2.3.20)

As at Sept 2020
Internal Audit: This report was issued to management on the 15.1.20 with the latest agreed implementation date of 30.6.20. This report will be followed up and included in the next tracker.
As at April 2021
Internal Audit: An update on progress with the recommendations is included below.
As at December 2021
Internal Audit: An update on progress with the recommendations is included below.
As at June 2022
Internal Audit: An update on progress with the recommendations is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Mary Gardner 14.4.22
1.1	<p>It is recommended that the Operational Plan and Service Plan is updated showing a clear link to corporate objectives, building in a process to identify legal responsibilities and demonstrate clear roles and responsibilities within the direct payment process.</p> <p>SMART targets should be identified and implemented covering service delivery, performance and monitoring arrangements.</p> <p>A 'fit for purpose' business continuity plan should be established, regularly reviewed and communicated to all staff.</p> <p>A Service RMP should be established and maintained in accordance with Corporate guidelines.</p> <p>All the key documents identified above should be reviewed on a yearly basis with a responsible officer/role overseeing this action.</p>	High	Becky Towle Assistant Director of Provider Services	30.4.2020 Revised implementation date: Ongoing as a 3-year transformation plan	<p>Action ongoing</p> <p>The programme plan covers all these requirements with clear milestones and outcomes set. The Policy work stream covers all these actions. A Direct Payment strategy will be drafted for the Health & Social Care Committee by July.</p>
2.1	<p>It is recommended that clear process notes/guidance are produced and made available for delivering all aspects of the direct payment process. This guidance should include a checklist of tasks.</p> <p>A clear timetable of actions is required which outlines achievable and realistic timescales.</p> <p>A clear monitoring process should be implemented to ensure that the direct payment process is delivered efficiently and effectively.</p>	High	Becky Towle Assistant Director of Provider Services	30.4.2020	<p>Actioned</p> <p>The process workstream covers these activities/requirements. Process notes are drafted for all Direct Payment activity. The Direct Payment audit process workstream is underway and reviewing /updating all Direct Payment processes.</p>

3.3	<p>It is recommended that all client accounts managed by payroll companies are reviewed and updated. Any outstanding issues regarding unpaid minimum wage uplifts, outstanding management fees and surplus balances should be resolved promptly.</p> <p>Internal Audit consider the current issues with one account to be more about multiple client accounts unresolved rather than one payroll company account not being managed correctly and as a result, urgent work is required to get these service user accounts up to date and correct.</p> <p>A joint working approach with Direct Payment Audit Team and Children with Disabilities Team is required to ensure clarity around account management and the monitoring of payroll company accounts.</p>	Medium	<p>Becky Towle Assistant Director of Provider Services</p> <p>Fiona Orr and John Stott</p>	30.6.2020	<p>Actioned</p> <p>There is an on-going programme of work to audit all Direct Payments including money management companies.</p> <p>A new Recognised Provider List Framework for money management companies has been delivered with new standards/requirements. Quality Monitoring visits are complete for all providers on the list.</p> <p>All pay rate annual increases have been undertaken for the 2nd year running and there are no fee issues outstanding. Recovering unused Direct Payment is core business and is a continual process as part of the Direct Payment audit process.</p> <p>Joint ways of working between Direct Payment audits and CDT exist. These are being formalised as part of the audit process review. Regular meetings occur between CYPF and Direct Payment service every 6 weeks and senior colleagues from CDT are members of the Direct Payment Steering Group (the programme board).</p>
4.1	<p>Internal Audit acknowledges that changes will have taken place since the audit fieldwork ended.</p> <p>Future work is to be conducted by Internal audit surrounding the Transitions process.</p>	High	<p>Becky Towle Assistant Director of Provider Services</p>	<p>30.4.2020 Revised implementation date: 31.7.2022</p>	<p>Action ongoing</p> <p>Project work underway.</p>
7.2	<p>Management should ensure that monitoring of the CCG direct payment packages is completed within CDT. It is recommended that CDT complete financial monitoring for direct payments, especially where funding is to be recovered from another source, in this case CCG.</p> <p>It is recommended that system reports are checked as part of the monthly monitoring process to ensure correct payments and recovery of CCG funding and ensure queries can be resolved at source.</p>	Medium	<p>Becky Towle Assistant Director of Provider Services</p>	<p>30.4.2020 Revised implementation date: Ongoing as a 3-year transformation plan</p>	<p>Action ongoing</p> <p>The Process and Audit workstreams are reviewing and updating these processes.</p>

6. Software Licensing (Asset Management) (Resources) (issued to Audit and Standards Committee 1.5.19)

As at July 2019
Internal Audit: This report was issued to management on the 18.3.19 with the latest agreed implementation date of 1.4.20. The recommendations will be implemented post the current contract and hence the longer than usual implementation timescale. Internal Audit will maintain a watching brief of this area.
As at Sept 2020
Internal Audit: An update on progress with the recommendations is included below.
As at April 2021
Internal Audit: An update on progress with the recommendations is included below.
As at December 2021
Internal Audit: An update on progress with the recommendations is included below.
As at June 2022
Internal Audit: An update on progress with the recommendations is included below.

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Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Jon Rayner – ICT Service Delivery Manager on 6.5.22
2.2	<p>Roles and responsibilities for software licensing management to be clearly defined and documented. This links to the recommendation on the Council having in place a clear statement of policy on Software Licensing.</p> <p>Management to seek the relevant assurance that staff/suppliers employed to manage the Council's software licensing requirements have the necessary skills and expertise to undertake the work.</p>	High	<p>Gary Sweet, ICT Client Service Delivery Officer</p> <p>Mike Weston, Assistant Director - ICT Service Delivery</p>	<p>01.04.2020</p> <p>Revised Implementation Timescale Autumn 2022</p>	<p>Action ongoing</p> <p>Formally assigned roles to be reviewed under MER with an estimated completion date in Q3. Although MER dates have been pushed back.</p>

	<p>Management to seek assurance that periodic reviews will be undertaken to ensure compliance with the terms and conditions of licences.</p> <p>Management to seek assurance that staff/suppliers are skilled in delivering efficiencies within the licensing processes and to clarify and document how this will work in practice.</p>				
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7. Hardware Asset Management (Resources) (issued to Audit and Standards Committee 1.5.19)

<p>As at July 2019</p>
<p>This report was issued to management on the 18.3.19 with the latest agreed implementation date of 1.4.20. The recommendations will be implemented post the current contract and hence the longer than usual the longer than usual implementation timescale. Internal Audit will maintain a watching brief of this area.</p>
<p>As at Sept 2020</p>
<p>Internal Audit: An update on progress with the recommendations is included below.</p>
<p>As at April 2021</p>
<p>Internal Audit: An update on progress with the recommendations is included below.</p>
<p>As at December 2021</p>
<p>Internal Audit: An update on progress with the recommendations is included below.</p>
<p>As at June 2022</p>
<p>Internal Audit: An update on progress with the recommendations is included below.</p>

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Jon Rayner – ICT Service Delivery Manager on 6.5.22
2.4	<p>Assurance to be sought on how the new CMDB operated by the Council's supplier SCC, will be integrated with requisition, change, discovery and audit processes. Once this has been fully agreed between all parties, the processes should be fully defined and documented with all roles and responsibilities clearly specified.</p> <p>Any process should report on users with more than one laptop/asset. Review of these users will ensure that the issue of assets not being disposed of correctly is addressed. A comprehensive starters and leavers process will also aid the process.</p>	High	<p>Gary Sweet, ICT Client Service Delivery Officer</p> <p>Mike Weston, Assistant Director - ICT Service Delivery</p>	<p>01.04.2020</p> <p>Revised Implementation Timescale Autumn 2022</p>	<p>Action ongoing</p> <p>Formally assigned roles to be reviewed under MER with an estimated completion date in Q3. Although MER dates have been pushed back.</p>

8. OHMS Application Review (Corporate) (issued to Audit and Standards Committee 24.5.18)

As at July 2018
This report was issued to management on the 4.1.18 with the latest agreed implementation date of 30.4.18. An Internal Audit follow-up review has been completed and the results are included below.
As at Jan 2019
Internal Audit: An update of progress with the 5 recommendations ongoing in the last report is provided below.
As at Jul 2019
Internal Audit: An update on progress with two recommendations ongoing in the last report is included below.
As at Jan 2020
Internal Audit: one of the remaining two recommendations was due to for implementation within the timescales for completion of this report.
As at Sept 2020
Internal Audit: An update on progress with two recommendations ongoing in the last report.

As at April 2021
Internal Audit: An update on progress with the recommendations is included below.
As at December 2021
Internal Audit: An update on progress with the recommendations is included below.
As at June 2022
Internal Audit: An update on progress with the recommendations is included below.

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Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Head of Neighbourhood Services and Programme Manager 13.4.22
1.2	Because the system is not currently up to date and considerable expense and effort will be required to enable this, it is recommended that an options review is undertaken to ascertain what the best method is to take the application forward. This should include the do nothing option, update the current version with a view to moving to the new product or to look at other potential solutions. This will need input from the Housing Service to ensure that the solution adopted is the most cost effective in delivering their service requirements.	Critical	Beverley Mullooly, Head of Neighbourhood Services	April 2018 Revised Implementation Timeframe: 31.12.23	Action ongoing We are in the process of deciding who the preferred supplier is and awarding the contract. Therefore, test and build of the new system has been delayed and will start in May/June – the dates for the implementation for phase 1 is Sept 2023. This all forms part of the Place Systems Review. It will however take some time to implement all the functions in the new system. Progress is reported to Our Sheffield Board.

RATING KEY

- Red highlights recommendations outstanding for over 12 months from the originally agreed implementation date.
- Amber highlights recommendations outstanding between 6 to 12 months.
- Yellow highlights recommendations outstanding up to 6 months from the original agreed implementation date.
- Green highlights recommendations that have been completed.



Audit and Standards Committee Report

Report of: Director of Housing and Neighbourhoods Service

Date: 16 June 2022

Subject: Internal Audit Recommendations – Review of Open Housing Management System Application.

Author of Report: Beverly Mullooly – Head of Service

Summary: An internal audit review of the Open Housing Management System application was completed in January 2018 and reviewed in June 2018. There was a recommendation from the internal audit that:

- the system is not currently up to date and considerable expense and effort will be required to enable this, it is recommended that an options review is undertaken to ascertain what the best method is to take the application forward.

The report will outline the work we have completed to meet the recommendations and an update on the replacement of the Housing Management System

Recommendations: That members of Audit and Standards Committee are recommended to note this report and close the outstanding audit action as it is complete also note the progress to replace the Open Housing Management System and associated systems.

Background Papers: None

Category of Report: OPEN

* Delete as appropriate

Statutory and Council Policy Checklist

Financial Implications
NO :
Legal Implications
Cleared by: G Duckworth
Equality of Opportunity Implications
NO
Climate Change Implications
NO
Tackling Health Inequalities Implications
NO
Human rights Implications
NO:
Environmental and Sustainability implications
NO
Economic impact
NO
Community safety implications
NO
Human resources implications
NO
Property implications
NO
Area(s) affected
None
Relevant Policy Committee Chair (s)
Douglas Johnson
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

1.0 INTRODUCTION

- 1.1 Internal Audit carried out a review of the Open Housing Management System application in late 2017 and reported on the findings and recommendations in January 2018 and a further review was carried out in June 2018.
- 1.2 The report will outline the progress made in regards to the outstanding recommendation and an update on the replacement of the Open Housing Management System.

2.0 BACKGROUND

- 2.1 There is an outstanding recommendation for the internal audit report: *the system is not currently up to date and considerable expense and effort will be required to enable this, it is recommended that an options review is undertaken to ascertain what the best method is to take the application forward. This should include the do nothing option, update the current version with a view to moving to the new product or to look at other potential solutions. This will need input from the Housing Service to ensure that the solution adopted is the most cost effective in delivering their service requirements.*
- 2.2 The Open Housing Management System is used across the Housing and Neighbourhoods Service to deliver core housing management functions. It is an old system and needs to be replaced in the medium to long term. The Housing and Neighbourhoods Service use a number of systems alongside the Open Housing Management System e.g. Abritas for Choice Based Lettings, APEX and Technology Forge for investment, Confirm for grounds maintenance.
- 2.3 Regular upgrades are made to the Open Housing Management System by the supplier. When the internal audit report was carried the service was not operating on the most up to date version and there would be significant costs to upgrade the system.
- 2.4 In April 2021 the Open Housing Management System was upgraded to the latest version and is fully supported by the supplier.
- 2.5 A decision was made to replace the Open Management System and associated systems as part of a wider programme to review the system used across the Place Directorate – the Place Systems Review.
- 2.6 In December 2021 suppliers of Housing Management Systems were invited to respond to the requirements for a new housing management system to replace the Open Housing Management Systems and associated systems.
- 2.7 We are in the final stages of the procurement of a new housing management system with a view to awarding the contract shortly.
- 2.8 Implementation of the all the new housing management system is planned for September 2023 to April 2024.

2.9 The Place System Review Programme Board has been set up to monitor and review the implementation of the new housing management system.

3.0 LEGAL/FINANCIAL/EQUALITY IMPLICATIONS

3.1 There are no legal or equality implications directly relating to this report

3.2 There are no financial implications.

4.0 RECOMMENDATION

4.1 That members of Audit and Standards Committee are recommended to note this report and close the outstanding audit action as it is complete and also note the progress to replace the Open Housing Management System and associated systems.

Internal Audit – Open Housing Management Systems (OHMS) Application Review - Progress Report

Audit and Standards Committee – 16 June 2022

Internal Audit Report – Findings & Recommendations

The Council is not currently operating the most up to date version of the OHMS system. The system is at least three full versions behind the current version with a new update pending. There are always risks associated with operating legacy systems (for example, the lack of patching etc.). The situation is also confounded by the fact that there is no clear recovery and continuity plans in place.

Internal Audit has been informed that an upgrade by Capita is likely to be a significant cost also costs in relation to SCC time etc.

Housing Management has expressed a number of concerns regarding how fit for purpose the OHMS system is particularly considering that a number of systems and workarounds are required when working with OHMS. This has not been fully tested as part of the review but always increases risk.

Actions taken to date

December 2020

- OHMS system migrated to Northgate Hosting – cost of upgrading while system was located in Capita was prohibitive

Jan 2021

- Market Test carried out to understand potential replacement options for OHMS and opportunities to rationalise housing systems

April 2021

- OHMS system upgraded to latest version
- All new features and capabilities available
- System is now fully supported by the supplier

Dec 2021

- Full tender issued for OHMS replacement, including rationalisation of other housing systems

Actions resolved/outstanding

The Council is not currently operating the most up to date version of the OHMS system. The system is at least three full versions behind the current version with a new update pending. There is no clear recovery and continuity plans in place **RESOLVED when moved to NEC hosting (Dec 20) and upgrade applied (April 21)**

Internal Audit has been informed that an upgrade by Capita is likely to be a significant cost, also costs in relation to SCC time etc. **RESOLVED when moved to NEC hosting (Dec 20) and upgrade applied (April 21)**

Housing Management has expressed a number of concerns regarding how fit for purpose the OHMS system is particularly considering that a number of systems and workarounds are required when working with OHMS. This has not been fully tested as part of the review but always increases risk.

IN PROGRESS with Place Systems Review Programme

Timescales for actions

June 2022

- Preferred supplier to be informed and contract for new housing management system signed (currently pending approval from Legal services)

June 2022

- Implementation of new system initiated
- Significant project to deliver improvements to processes, data management and reporting

September 2023

- Phase 1 of implementation completed – all functions currently carried out in OHMS are migrated to new solution.
- Phase 2 of implementation completed – **March 24**

Place Systems Review



Modernise the systems and infrastructure used across the Place Portfolio



Prioritise the systems in **Housing and Neighbourhoods service** to be replaced first

Housing Project



OHMS needs to be replaced soon



Housing and Neighbourhoods Service use a **collection of systems** that will not operate without OHMS



We cannot just replace OHMS like for like. More costly and in the longer-term unsustainable.

Opportunities for change



Market test - procure a **single system that will do the majority of what we need.**



One purchase that addresses the issues with current system/s



One single system could be cheaper



Improve data quality and integration e.g. repairs system Improve ways of working and **Customer Experience**



New opportunities: on-line, fire safety, energy sustainability



To achieve our **main objectives**

Moving to Services On-line

Single Information System

Single View of our Customer

Single View of Assets

Single View of Documents and Evidence

Mobile & Flexible Working

Process Automation

Effective and high-quality performance information used to improve our service offer

System Integration e.g. Repairs

Flexible system we can adapt in house

Opportunities for change

We have worked with staff in the Housing and Neighbourhoods service to **gather all the requirements for the new system** and look for opportunities that the new system will bring to allow us to work more efficiently.

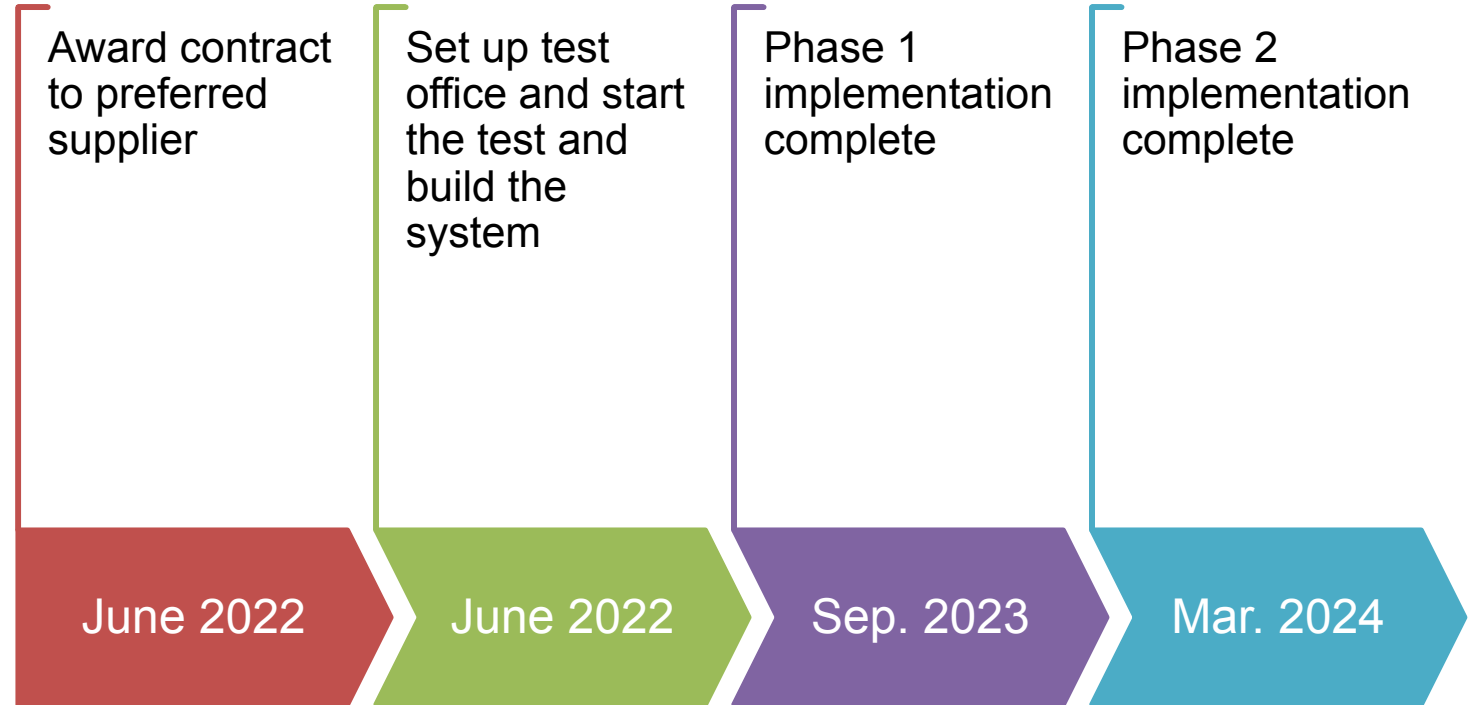
We will involve Housing and Neighbourhoods staff to **test and build the system to ensure that the system does what it needs to do and is easy to use.**

We are **engaging with customers** (tenants, residents, leaseholders) to find out what is important to them and to **hear their experiences** of our service and ideas on how new ways of working could improve the service.



We are proposing to set up a **test office** in June 2022. This will **test and optimise** processes to ensure they work for service and provide a **better experience for our customers**

Proposed timeline



Benefits to customers and staff

Single view



Having a **Single view of Housing customer information** will save time on searching multiple systems.

Customers will only need to **'tell their story once'**.



Customer

"It's much better now that I **don't have to tell people more than once** about my issue"



Staff

"As an officer I can **see more about a customer in one place**, it helps me resolve things more efficiently"

Benefits to customers and staff

Online portal



Customers will have access to an **online portal** which will allow good **quality two-way communication**.



Customer

“I go to the website and **there is one place for everything around my tenancy**. I don’t need to call the Contact Centre to ask for things or check up on things”



Customer

“I am busy, so **getting texts** to remind me of appointments is brilliant”

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Audit and Standards Committee Report

Report of: Director of Legal and Governance

Date: 16 June 2022

Subject: Government response to The Committee on Standards in Public life's Review of Local Government Ethical Standards.

Author of Report: Sarah Hyde, Democratic Services Team Manager

Summary: On 18th March 2022, the Department for Levelling Up, Housing and Communities, published its formal response to the Committee for Standards in Public Life's Recommendations to Local Government Ethical Standards.

Recommendations: That members of Audit and Standards Committee are recommended to note the Government response to the Committee on Standards in Public Life review of local government ethical standards.

Background Papers:

- Government response to the Committee for Standards in Public Life's Review of Local Government Ethical Standards.
 - The Committee for Standards in Public Life – Review of Local Government Ethical Standards Report published in January 2019
-

Category of Report: OPEN

* Delete as appropriate

Statutory and Council Policy Checklist

Financial Implications
NO :
Legal Implications
NO - Cleared by: G Duckworth
Equality of Opportunity Implications
NO
Climate Change Implications
NO
Tackling Health Inequalities Implications
NO
Human rights Implications
NO:
Environmental and Sustainability implications
NO
Economic impact
NO
Community safety implications
NO
Human resources implications
NO
Property implications
NO
Area(s) affected
None
Relevant Policy Committee Chair (s)
Chair of Strategy and Resources
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

1.0 INTRODUCTION

1.1 The Committee on Standards in Public Life reviewed Local Government Ethical Standards in which they put forward 24 recommendations to the Government.

2.0 BACKGROUND

2.1 In January 2019, The Committee for Standards in Public Life issued its report and recommendations on ethical standards in Local Government. This report was published following extensive consultation with local authorities and the Audit and Standards Committee submitted a consultation response on behalf of Sheffield City Council.

2.2 In its published response, Government has provided its response to the numerous recommendations however it does not propose any immediate plans to amend or introduce revised legislation to address some of the issues raised, for example amendments to the Localism Act 2011, to sanctions and further clarity as regards disclosable pecuniary interests.

2.3 However, with regards to other recommendations, the Government does support and encourage local authorities to develop best practice, for example adoption of the LGA Model Code of Conduct, reporting and monitoring gifts and hospitality for councillors from the same source over a period of time and preparation of annual reports including code of conduct complaints.

2.4 The Government response can be found at the following link: [Government response to the Committee on Standards in Public Life review of local government ethical standards - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/government-response-to-the-committee-on-standards-in-public-life-review-of-local-government-ethical-standards)

2.5 It should be noted that this committee has already responded positively to some of the recommendations for example adoption of the LGA Model Code of conduct into its own code. Sheffield City Council does already publish an annual standards report, provide clarity for councillors in respect of gifts and hospitality, and that the Committee is committed to encouraging our Parish and Town Councils to adopt our code which is based on the LGA Model Code of Conduct.

3.0 LEGAL/FINANCIAL/EQUALITY IMPLICATIONS

3.1 There are no legal or equality implications directly relating to this report however if there are potential future implications detailed within the Government Response and these will be addressed as and when necessary.

3.2 There are no financial implications.

4.0 RECOMMENDATION

- 4.1 That members of Audit and Standards Committee are recommended to note the Government response to the Committee on Standards in Public Life review of local government ethical standards.



Department for Levelling Up,
Housing & Communities

Kemi Badenoch MP

*Minister of State for Equalities and Levelling Up
Communities*

***Department for Levelling up, Housing and
Communities***

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2 Marsham Street
London
SW1P 4DF

Lord Evans of Weardale, KCB, DL
Chair Committee on Standards in Public Life
Room G07
1 Horse Guards Road
London
SW1A 2HQ

Email: kemi.badenoch@levellingup.gov.uk

www.gov.uk/dluhc

Dear Lord Evans,

On behalf of the Government, I would like to thank the Committee on Standards in Public Life for its report and the recommendations arising from its review of Local Government Ethical Standards, and to all those who engaged with the Committee's work. Attached is the Government response to the Committee's individual recommendations that were directed at Government.

Vibrant local democracies flourish where the reputation of the local authority is held in high regard, where councillors' decision-making is transparent, valued and trusted by the communities they serve, and where people are willing and confident to put themselves forward as potential candidates. The standards and conduct framework within which local authorities operate must drive out corruption and promote commitment to the principles on standards in public life, and tolerance to the differing views of others. In responding to the review, the Government has taken into account the importance of protecting free speech and freedom of association within the law.

The Government is committed to working with local authorities and their representative organisations to ensure that local government is supported in reinforcing its reputation for ethical local standards.

The fact that this review had been conducted in such a collaborative way with the sector has been apparent from the outset and is borne out in the final report. I am keen that Government builds on the sector-wide enthusiasm for improvement.

The Government agrees with the Committee's conclusion that there have been benefits from local authorities being responsible for ethical standards, including the flexibility and

discretion to resolve standards issues informally. However, we also recognise the role of Government in ensuring that the system is robust.

The number of requests for legislation in the Committee's recommendations to strengthen the standards and conduct framework and its safeguards is considerable. As indicated in this response, the Government believes that some of these suggestions do not need a legislative response but can be more appropriately, effectively, and swiftly taken forward by local authorities as best practice. The Committee will recognise that the Government and Parliament has taken a different view on these matters when it legislated for the Localism Act 2011.

I thank the Committee for their work on the review and for their patience whilst Government carefully considered their recommendations, and I personally look forward to continuing to work with you as Government progresses the commitments made in this response with the sector.

Yours sincerely,

A handwritten signature in black ink that reads "Kemi Badenoch". The signature is written in a cursive, flowing style.

KEMI BADENOCH MP

**Minister of State for Equalities
and Levelling Up Communities**

Government response to the Committee on Standards in Public Life review of local government ethical standards

This Government response confines itself to the Committee's recommendations directed at Government, other than with regards to the first recommendation. The response to recommendations 10, 12, 13, 14 and 16 have been grouped together and therefore appear out of numerical order below.

Recommendation 1

The Local Government Association should create an updated model code of conduct, in consultation with representative bodies of councillors and officers of all tiers of local government.

The Localism Act 2011 states that relevant authorities must promote and maintain high standards of conduct by members and co-opted members. It requires these authorities to adopt a code of conduct for their councillors.¹ Authorities can determine the content of their own code of conduct. However, codes must conform to the seven 'Nolan' principles of standards in public life: selflessness, integrity, objectivity, accountability, openness, honesty, and leadership. Relevant authorities for the purposes of these requirements include local authorities in England, namely county councils, district councils, London borough councils and parish and town councils.

It is for individual councils to set their own local code, in line with the Act. The Government has previously published a light-touch illustrative code of conduct.

The Local Government Association has worked with sector representative bodies to update its own suggested code of conduct, with the intention that this new suggested code could establish a consistent benchmark that local authorities can amend or add to as they see fit to reflect local circumstances and priorities. The Local Government Association published the updated code of conduct in January 2021. However, it remains a local decision on whether this model code is adopted.

Recommendation 2

The government should ensure that candidates standing for or accepting public offices are not required publicly to disclose their home address. The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 should be amended to clarify that a councillor does not need to register their home address on an authority's register of interests.

¹ References to councillors in this document also should be deemed to include elected mayors.

This issue was brought up in the Committee's work on intimidation in public life, and the Government has already taken forward several steps in this regard. The Government is open and receptive to further steps to help prevent intimidation.

The Government agrees with the principle behind this recommendation – which safeguards elected representatives - and considers amending the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 would be an option to achieve it.

The Government will engage with interested parties on the best means to ensure that candidates and councillors are not required publicly to disclose their home address.

Notwithstanding, it is important that home addresses are internally registered with monitoring officers, to help avoid conflicts of interest.

Recommendation 3

Councillors should be presumed to be acting in an official capacity in their public conduct, including statements on publicly accessible social media. Section 27(2) of the Localism Act 2011 should be amended to permit local authorities to presume so when deciding upon code of conduct breaches.

The Government's view is that it is for individual local authorities to consider if their code of conduct is adequate in addressing the issue of inappropriate use of social media.

As the Government outlined to Parliament in March 2021 on tackling intimidation in public life: 'It is important to distinguish between strongly felt political debate on the one hand, and unacceptable acts of abuse, intimidation and violence on the other. British democracy has always been robust and oppositional. Free speech within the law can sometimes involve the expression of political views that some may find offensive': a point that the Government has recognised in a Department for Education policy paper². But a line is crossed when disagreement mutates into intimidation, which refuses to tolerate other opinions and seeks to deprive others from exercising their free speech and freedom of association.'

It is important to recognise that there is a boundary between an elected representative's public life and their private or personal life. Automatically presuming (irrespective of the context and circumstances) that any comment is in an official capacity risks conflating the two.

² Higher education: free speech and academic freedom Feb 2021
<https://www.gov.uk/government/publications/higher-education-free-speech-and-academic-freedom>

Recommendation 4

Section 27(2) of the Localism Act 2011 should be amended to state that a local authority’s code of conduct applies to a member when they claim to act, or give the impression they are acting, in their capacity as a member or as a representative of the local authority.

The Government agrees that local authority elected representatives should act in good faith in the public interest and not seek to influence decisions for personal gain, for malicious intent or to further the interests of any business or any other organisations which they may be affiliated with.

The Local Government Association have updated their [own suggested code of conduct](#) to state that the code applies when “[a member’s] actions could give the impression to a reasonable member of the public with knowledge of all the facts that [they] are acting as a [member]”.

It is for individual local authorities to ensure that their codes of conducts are regularly updated, comprehensive and fit for purpose. Elected members receive the necessary training to make them aware of their personal responsibilities in upholding the code.

The Government will keep this matter under review but has no immediate plans to amend the regulations.

Recommendation 5

The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 should be amended to include: unpaid directorships; trusteeships; management roles in a charity or a body of a public nature; and membership of any organisations that seek to influence opinion or public policy.

The electorate must have confidence that the decisions of their elected representatives are being made in the best interests of the community they have been elected to serve. Unpaid roles may need to be declared if it is relevant to council business, and councillors should recuse themselves if necessary if discussions relate to private bodies, they are involved in.

The Government is mindful that councillors have a right to a private life, and rights of freedom of association outside their role as a councillor. It is frequently the case that people in public life have a complex pattern of interests and play a variety of roles with different types of organisations, including community interest groups and charities.

The Government will keep this matter under review but has no immediate plans to amend the regulations.

Recommendation 6

Local authorities should be required to establish a register of gifts and hospitality, with councillors required to record gifts and hospitality received over a value of £50 or totalling £100 over a year from a single source. This requirement should be included in an updated model code of conduct.

The Local Government Association's suggested code of conduct published in January 2021 includes a requirement for members to "register... any gift or hospitality with an estimated value of at least £50". However, it did not contain any requirements relating to the total value of gifts or hospitality received from the same source over a sustained period.

Local authorities have the autonomy to set gifts and hospitality requirements in their own codes of conduct. The Government accepts that there is merit in best practice guidance on the thresholds for gifts and hospitality and agrees that a register of gifts and hospitality should be publicly available.

Recommendation 7

Section 31 of the Localism Act 2011 should be repealed, and replaced with a requirement that councils include in their code of conduct that a councillor must not participate in a discussion or vote in a matter to be considered at a meeting if they have any interest, whether registered or not, "if a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your consideration or decision-making in relation to the matter".

Section 31 of the Localism Act 2011 requires that a councillor must not participate in a discussion or vote on a matter where they have a disclosable pecuniary interest in any matter to be considered at the meeting. Section 30(3) of the Localism Act 2011 further provides that any relevant pecuniary interests of a councillor's spouse or partner are considered as a disclosable pecuniary interest of the councillor.

The Committee's report reflects concerns that the disclosable pecuniary interest arrangements infringe on the privacy of a councillor's spouse or partner. Where there would be a potential conflict of interest, the principle of integrity requires that any such interests should nevertheless be declared and resolved.

The Government will keep this matter under review but has no immediate plans to repeal Section 31 of the Localism Act 2011.

Recommendation 8

The Localism Act 2011 should be amended to require that Independent Persons are appointed for a fixed term of two years, renewable once.

The Government does not accept this recommendation as appropriate for legislation on the basis that it would be likely to be unworkable. The Government's view is that it would be more appropriately implemented as a best practice recommendation for local authorities.

In principle, it may be attractive to limit the terms Independent Persons serve to keep their role and contribution "fresh" and avoid them becoming too closely affiliated with the overriding organisational culture. However, discussions with Monitoring Officers indicate that in practice most local authorities would likely find servicing this rate of turnover unachievable. There is frequently a small pool of people capable and willing to undertake the role, who also fit the stringent specifications of being amongst the electorate, having no political affiliation, no current or previous association with the council, and no friends or family members associated with the council.

When local authorities have found effective Independent Persons who demonstrate the capability, judgement and integrity required for this quite demanding yet unpaid role, it is understandable that they may be reluctant to place limitations on the appointment.

Recommendation 9

The Local Government Transparency Code should be updated to provide that the view of the Independent Person in relation to a decision on which they are consulted should be formally recorded in any decision notice or minutes.

The Government does not agree with this. The Local Government Transparency Code is a statutory requirement to publish information; it does not regulate the content of councils' minutes or decision notices.

The substantive policy suggestion has merit but will depend on circumstances. In cases where there is no case to answer from an unfounded complaint, it should not necessarily be a legal requirement to publish details of that unfounded complaint.

Recommendation 10

A local authority should only be able to suspend a councillor where the authority's Independent Person agrees both with the finding or a breach and that suspending the councillor would be a proportionate sanction.

Recommendation 12

Local authorities should be given the discretionary power to establish a decision-making standards committee with voting independent members and voting members from dependent parishes, to decide on allegations and impose sanctions.

Recommendation 13

Councillors should be given the right to appeal to the Local Government Ombudsman if their local authority imposes a period of suspension for breaching the code of conduct.

Recommendation 14

The Local Government Ombudsman should be given the power to investigate and decide upon an allegation of a code of conduct breach by a councillor, and the appropriate sanction, an appeal by a councillor who has had a suspension imposed. The Ombudsman's decision should be binding on the local authority.

Recommendation 16

Local authorities should be given the power to suspend councillors, without allowances, for up to six months.

There is no provision in current legislation for a sanction to suspend a councillor found to have breached the code of conduct, and this was a deliberate policy decision by the Coalition Government at the time of the Localism Act 2011 to differentiate from the previous, failed Standards Board regime. The Standards Board regime allowed politically motivated and vexatious complaints and had a chilling effect on free speech within local government. These proposals would effectively reinstate that flawed regime.

It would be undesirable to have a government quango to police the free speech of councillors; it would be equally undesirable to have a council body (appointed by councillors, and/or made up of councillors) sitting in judgment on the political comments of fellow councillors.

On the rare occasions where notable breaches of the code of conduct have occurred, local authorities are not without sanctions under the current regime. Councillors can be barred from Cabinet, Committees, or representative roles, and may be publicly criticised. If the elected member is a member of a political group, they would also expect to be subject to party discipline, including being removed from that group or their party. Political parties are unlikely to reselect councillors who have brought their group or party into disrepute. All councillors are ultimately held to account via the ballot box.

As part of the Government's response to the Committee's report on intimidation in public life, the Government recommended that every political party establish their own code of conduct for party members, including elected representatives.

The Government will engage with sector representative bodies of councillors and officers of all tiers of local government to seek views on options to strengthen sanctions to address breaches of the code which fall below the bar of criminal activity and related sanctions but involve serious incidents of bullying and harassment or disruptive behaviour.

Recommendation 11

Local authorities should provide legal indemnity to Independent Persons if their views or advice are disclosed. The government should require this through secondary legislation if needed.

The Government agrees in principle.

Initial soundings with the sector indicate that some local authorities already provide legal indemnity for Independent Persons.

The Government endorses providing legal indemnity for Independent Person as local authority best practice but does not currently see the need to require this through secondary legislation.

Recommendation 15

The Local Government Transparency Code should be updated to require councils to publish annually: the number of code of conduct complaints they receive; what the complaints broadly relate to (e.g., bullying; conflict of interest); the outcome of those complaints, including if they are rejected as trivial or vexatious; and any sanctions applied.

The Government believes that this is better addressed through the sector adopting as best practice a regular pattern of annual reporting by Standard Committees of the cases and complaints handled and would encourage this as best practice by the sector.

The Government does not believe that there is a requirement to prescribe to local authorities the form and content of such Standard Committee annual reports.

Recommendation 17

The government should clarify if councils may lawfully bar councillors from council premises or withdraw facilities as sanctions. These powers should be put beyond doubt in legislation if necessary.

The criminal law, overseen by the police and courts, provides for more appropriate and effective action against breaches of public order, for anti-social behaviour, and against harassment.

The occasion where councils would seek to bar councillors from council premises are thought to be extremely rare. We will consider this further.

Recommendation 18

The criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished.

It is a criminal offence to fail to declare pecuniary interests, which acts as a strong deterrent against corruption.

The Government does not agree with this recommendation, but rather believes the criminal offence of a non-disclosure of pecuniary interest to be a necessary and proportionate safeguard and deterrent against corruption.

The high bar of police involvement has served to discourage politically motivated and unfounded complaints.

Recommendation 20

Section 27(3) of the Localism Act 2011 should be amended to state that parish councils must adopt the code of conduct of their principal authority, with the necessary amendments, or the new model code.

The Government does not agree that this is necessary and has no plans to repeal Section 27(3) of the Localism Act 2011.

The Government considers that the adoption of the principal authority's code or the new model code is a matter for local determination.

There are merits in achieving consistency within principal authority areas to eliminate potential confusion amongst constituents and elected members but there may be instances where a parish council may want to add to the code of their principal authority to reflect local circumstances.

Recommendation 21

Section 28 (11) of the Localism Act 2011 should be amended to state that any sanction imposed on a parish councillor following the finding of a breach is to be determined by the relevant principal authority.

The Government has no current plans to repeal Section 28 (11) of the Localism Act 2011 but will give this matter further consideration.

Recommendation 22

The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 should be amended to provide that disciplinary protections for statutory officers extend to all disciplinary action, not just dismissal.

The three statutory officers in local government are the Monitoring Officer, the Head of Paid Service (Chief Executive) and the Chief Finance Officer (often referred to as the Section 151 Officer).

Under the current disciplinary arrangements for statutory officers, any decision to dismiss a statutory officer must be taken by full council, following a hearing by a panel that must include at least two Independent Persons. The Committee consider that the disciplinary protections for statutory officers should be enhanced, by extending disciplinary protections to all disciplinary actions (such as suspension or formal warnings), not just dismissal.

The Government agrees in principle with this recommendation and recognises this will be pertinent to Monitoring Officers who may not necessarily be afforded the same seniority in the organisational hierarchy of a local authority as the two other statutory officers (Head of Paid Service and the Section 151 Officer), and who may be subject to personal pressures when conducting high profile breach of conduct investigations.

The Government will engage with sector representative bodies of all tiers of local government to seek views on amending the Local Authorities (Standing Orders) (England)(Amendment) Regulations to provide disciplinary protections for statutory officers.

Recommendation 23

The Local Government Transparency Code should be updated to provide that local authorities must ensure that their whistleblowing policy specifies a named contact for the external auditor alongside their contact details, which should be available on the authority's website.

The Government agrees with the principle that openness is essential.

Most local authorities already publish their whistleblowing policy, procedures and a named contact on their websites, and Government is recommending that this is adopted as a best practice recommendation.

The Government published the UK National Action Plan for Open Government 2021 – 2023 in January 2022. This includes a commitment on local transparency.³ The Department for Levelling Up Housing and Communities (DLUHC) will work with the local government community to develop a set of specific actions to advance transparency in the sector. DLUHC will support local government to solidify their transparency policies and processes and encourage proactive publication of open data across councils.

Recommendation 24

Councillors should be listed as ‘prescribed persons’ for the purposes of the Public Interest Disclosure Act 1998.

Prescribed persons are individuals or organisations that a worker may approach outside their workplace to report suspected or known wrongdoing and still be protected by the rights afforded to them under whistleblowing legislation. They are prescribed by an order made by the Secretary of State (for Business, Energy and Industrial Strategy) for this purpose. A complete list of prescribed persons is available here: <https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2>.

Local councillors would not meet the criteria of being external to an individual’s workplace in relation to matters affecting the council and could therefore not be considered as a ‘prescribed person’ for the purposes of the Public Interest Disclosure Act 1998. Disclosures relating to local authorities can be made to the external auditor of the relevant authority, the Comptroller and Auditor General (National Audit Office), or a Member of Parliament.

However, the Government recognises that this may provide a further check and balance against council corruption or wrongdoing and is open to further representations on the matter on how local accountability can be strengthened in this regard.

³ <https://www.gov.uk/government/publications/uk-national-action-plan-for-open-government-2021-2023/uk-national-action-plan-for-open-government-2021-2023#local-transparency>



Audit and Standards Committee Report

Report of: Director of Legal and Governance

Date: 16 June 2022

Subject: Work Programme

Author of Report: Jay Bell, Democratic Services

Summary:

The report provides details of an outline work programme for the Committee.

Recommendations:

That the Committee:-

(a) considers the Work Programme and identifies any further items for inclusion;
and

(b) approves the work programme.

Background Papers: None

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
NO Cleared by:
Legal Implications
NO Cleared by:
Equality of Opportunity Implications
NO Cleared by:
Tackling Health Inequalities Implications
NO
Human rights Implications
NO:
Environmental and Sustainability implications
NO
Economic impact
NO
Community safety implications
NO
Human resources implications
NO
Property implications
NO
Area(s) affected
NONE
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

WORK PROGRAMME

1. Purpose of Report

1.1 To consider an outline work programme for the Committee.

2. Work Programme

2.1 It is intended that there will be at least five meetings of the Committee during the year with three additional meetings arranged if required. The work programme includes some items which are dealt with at certain times of the year to meet statutory deadlines, such as the Annual Governance Report and Statement of Accounts, and other items requested by the Committee. In addition, it also includes standards related matters, including an annual review of the Members Code of Conduct and Complaints Procedure and an Annual Report on the complaints received.

2.2 An outline programme is attached and Members are asked to identify any further items for inclusion.

3. Recommendation

3.1 That the Committee:-

- (a) considers the Work Programme and identifies any further items for inclusion; and
- (b) approves the work programme.

Gillian Duckworth
Director of Legal and Governance

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Audit and Standards Work Programme 2022-23- Working Copy

Date	Item	Author
16 June 2022	Internal Audit Plan 2022/23	Linda Hunter (Senior Finance Manager)
	Progress in High Opinion Reports	Linda Hunter (Senior Finance Manager)
	New Housing System and Project Update	Ajman Ali (Executive Director Operational Services)
	Government Response to The Committee on Standards in Public Life Report	Gillian Duckworth (Director of Legal and Governance)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)
	Strategic Risk Reporting	Helen Molteno (Corporate Risk Manager)
28 July 2022	External Audit Plan 2021/22	External Auditor (EY)
	Summary of Statement of Accounts	Ryan Keyworth (Director of Finance and Commercial Services)
	Formal Response to Audit (ISA 260) Recommendations	Ryan Keyworth (Director of Finance and Commercial Services)
	Internal Audit Annual Fraud Report	Stephen Bower (Finance and Risk Manager)
	Role of the Audit Committee and Training	Claire Sharratt (Senior Finance Manager)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)
September / October 2022	Audit Training	External Facilitator (TBC)

Audit and Standards Work Programme 2022-23- Working Copy

22 September 2022	Annual Internal Audit Report	Linda Hunter (Senior Finance Manager)
	Annual Governance Statement	Gillian Duckworth (Director of Legal and Governance)
20 October 2022	Work Programme	Gillian Duckworth (Director of Legal and Governance)
November 2022	Workshop to review Members Code of Conduct	
17 November 2022	Statement of Accounts (Audited)	Ryan Keyworth (Director of Finance & Commercial Services)
	Report of those Charged with Governance (ISA 260)	External Auditor (EY)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)
22 December 2022	Whistleblowing Policy Review	Clare Corneille (Head of Human Resources)
	Information Management Annual Report	Sarah Green (Senior Information Management Officer)
	Progress in High Opinion Reports	Linda Hunter (Senior Finance Manager)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)
19 January 2023	Strategic Risk Reporting	Helen Molteno (Corporate Risk Manager)
	Annual Standards Report	Gillian Duckworth (Director of Legal and Governance)
	Review of Members' Code of Conduct and Complaints Procedure	Gillian Duckworth (Director of Legal and Governance)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)

Audit and Standards Work Programme 2022-23- Working Copy

16 February 2023	Work Programme	Gillian Duckworth (Director of Legal and Governance)
9 March 2023	Work Programme	Gillian Duckworth (Director of Legal and Governance)
13 April 2023	Internal Audit Plan 2023/24	Linda Hunter (Senior Finance Manager)
	Compliance to International Auditing Standards	Ryan Keyworth (Director of Finance and Resources)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)
July / August 2023	Audit Training	External Facilitator (TBC)
June 2023	Progress in High Opinion Reports	Linda Hunter (Senior Finance Manager)
	Internal Audit Annual Fraud Report	Linda Hunter (Senior Finance Manager)
	Work Programme	Gillian Duckworth (Director of Legal and Governance)

IMPORTANT INFORMATION FOR REPORT WRITERS

The Audit and Standards Committee provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Committee is to provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment. It provides independent review of Sheffield City Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

The Committee also cover Standards and is primarily responsible for promoting and maintaining high standards of conduct by councillors, independent members,

and co-opted members. It is responsible for advising and arranging relevant training for members relating to the requirements of the code of conduct for councillors. The Committee also monitor the Council's complaints process and the Council's response to complaints to the Ombudsman.

The Committee is not an operational committee, so is not focussed on the day to day running of your service. However, its focus is on risk management and governance, so it will want to understand how you manage your key risks, and how you are responding to new challenges and developments. In particular the Committee will be interested in the progress on implementing agreed recommendations from inspection and audit reports, and will want to review your services' outputs and actions in response. You can expect some challenge if deadlines for implementing agreed actions have been missed. Please ensure breakdowns of information are included in your report, as the Committee is interested in the key facts and figures behind areas.

Most Audit and Standards papers are public documents, so use everyday language, and use plain English, don't use acronyms, or jargon and explain any technical terms. Assume the reader knows little about your subject.

Think about how the paper will be interpreted by those who read it including the media.

Use standard format - don't subvert it.

Ensure – You convey the key message in the first paragraph not the last.

The report should include –

- **Summary**
- **Recommendation (s)**
- **Introduction**
- **Background**
- **Main body of the report (in. legal, financial and all other relevant implications)**

(report templates are available from Democratic Services)

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