

# NOTTINGHAM CITY COUNCIL

## INTERNAL AUDIT ANNUAL REPORT AND OPINION 2021/22

Date: 30 September 2022

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## **1. Introduction**

### **Internal Audit and the Annual Reporting Process**

1. Under the Accounts and Audit Regulations 2015 (See Box) the Council has a duty to maintain an effective internal audit of its risk management, control and governance processes. The Public Sector Internal Audit Standards (PSIAS) are the mandated professional standards for internal audit in local government and govern the work undertaken by the Internal Audit Service.
2. The PSIAS sets out the requirement for the Chief Audit Executive to provide an annual internal audit report with an overall opinion that can be used by the organisation to inform its governance statement. The Internal Audit Charter and the Council's Financial Regulations re-inforce this requirement. The role of Chief Audit Executive has been assigned to the Head of Audit and Risk at Nottingham City Council.
3. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The opinion must be supported by sufficient, reliable, and relevant information.
4. The following report provides a summary of the internal audit activity undertaken throughout the year and seeks to provide an objective assessment of the control environment to support the annual internal audit opinion. This report has been produced by the Head of Audit and Risk who is responsible for the Internal Audit (IA) and Corporate Fraud teams.

### **Confirmations – Resources, Independence and Limitations of Scope**

5. Members of the team hold various qualifications including ACCA, AAT and PINS. Most colleagues participated in personal development reviews and received a minimum of three days training. The 2021/22 audit plan contained 2318

days and I am satisfied that there were adequate staffing resources available to me to deliver the plan despite a restriction on recruitment and some long-term sickness occurring in the latter part of the year.

6. I am required to highlight instances where the work of Internal Audit has been subject to any limitations of scope and to this end, I can state that the programme of work for 2021/22 was affected to an extent by some limitations of scope. These limitations specifically relate to some of the key financial systems that are either operated directly by NCC or by EMSS on behalf of the council and during the year, internal auditors have experienced difficulties in obtaining access to key staff, information and systems which has resulted in reduced efficiency and an inability to fully complete reviews as initially intended, with a consequence that the level of assurance for each review is negatively impacted. These limitations are due to operational pressures / staffing issues within the areas under review. Details of those reviews affected are included later within this document.
7. Discussions will be held within senior management with regard to rectifying the position moving forward and I am planning to review the approach for the future reviews of systems that are operated by EMSS/NCC. I will ensure that reference to these limitations will also be included in the Annual Governance Statement for 2021/22.
8. The 2022/23 Plan in Appendix A has been matched to an assumed level of resources. We are experiencing staff turnover and recruitment to vacant positions has so far proven unsuccessful and will limit the resources we are able to apply to provide assurances during 2022/23. We have established that the existing Internal Audit pay grades are uncompetitive with respect to the local government sector and other sectors. During the forthcoming year the section intends to restructure and an important part of the process will be to assess what skills and experience exist currently in the section and what needs to be developed as we move forward and to agree competitive grades for roles.
9. The PSIAS require that the Head of Audit and Risk must confirm to the Audit Committee at least annually regarding the organisational independence of the internal audit activity. The Internal Audit Charter and the council's Financial Regulations re-inforce this requirement.
10. The Internal Audit Charter specifies that the Head of Audit and Risk must report to a level within the council that allows internal audit to fulfil its responsibilities. Appropriate reporting and management arrangements are in place within NCC

that preserve the independence and objectivity of the Head of Audit and Risk who has direct access to the Chair of the Audit Committee, Leadership of the Council, External Auditors, the Chief Executive, the Section 151 Officer, the Monitoring Officer, the Standards Board, and all councillors, as he considers appropriate.

11. The reporting and management arrangements in place are appropriate to ensure the organisational independence of the internal audit activity. Robust arrangements are in place to ensure that any threats to objectivity are managed at the individual auditor, engagement, functional and organisational levels. Nothing has occurred during the year that has impaired the Head of Audit and Risk's personal independence or objectivity. There have however, been some instances where the scope of Internal Audit reviews has been limited.

### **Reports to Audit Committee**

12. An important part of the IA service is to inform the Audit Committee about the adequacy of the Council's governance and internal control systems and an important role of the Committee is to oversee the performance of the IA service. The following summarises the information the Committee has received from the Head of Internal Audit and Risk during the last year.

- Annual Governance Statement and Update – an evaluation of the governance system and update on significant issues
- Internal Audit Quarterly Reports including a summary of reports issued and recommendation tracking
- Role of Audit Committee, Terms of Reference and Work Programme
- Internal Audit Charter – the rules and organisational requirements in place to ensure an effective Internal Audit function
- Internal Audit Annual Report – summary of work in 2020/21 including Head of Internal Audit & Risk's Opinion
- Internal Audit Annual Plan – a summary of work proposed for 2021/22
- East Midlands Shared Services (EMSS) Annual Report and Head of Audit & Risk Opinion on assurance
- Support for the committee's informal subgroups to benefit informed consideration of Risk & Assurance and Counter Fraud

## **2. Head of Internal Audit Opinion 2021/22**

## **Scope of the Opinion**

13. The opinion has been prepared by the Head of Audit and Risk and is based upon the requirements of the Public Sector Internal Audit Standards (PSIAS).
14. Throughout 2021/22, the HoA has continuously reviewed the significant challenges and risks associated with the Council's operations and has allocated the necessary resources, via the Internal Audit Plan, to form his opinion on the Council's governance arrangements. In forming his opinion, the HoA has reviewed all the IA reports issued in 2021/22, which has included ICT work, and he has drawn upon available external sources of assurance from independent review bodies and internal assurance mechanisms to help him identify and assess the key control risks to the Council's objectives. Other sources of assurance have included the AGS Statement, the Ombudsman Report and Grant Thornton (the Council's external auditor). External assurance sources such as OFSTED, and the Care Quality Commission have been reviewed, and where necessary further information has been sought, in order to assess these assurances.

## **Issues Relevant to the Annual Governance Statement**

15. The draft financial statements for 2021/22 and consequently the draft Annual Governance Statement have not yet been published. The Head of Audit and Risk has identified the following significant issues, many of which are also in the Together for Nottingham plan or have been raised by the IAB, that at this point he considers should be reported in the Annual Governance Statement:

- Medium Term Financial Strategy (MTFS)
- Asset Management
- Companies & Debt Management
- Capital Programme
- Governance and Decision Making, including Constitution
- Organisation & Culture
- Delivery Options
- Policy Framework
- Ofsted Focussed Visit & Improvement Programme
- Energy & Waste Infrastructure

- Housing management & HRA ring-fence
- Delays in finalisation of annual accounts
- Oracle Fusion payroll implementation

## Opinion 2021/22

16. The opinion given is based on internal audit work undertaken.
17. No systems of control can provide absolute assurance, nor can IA give that assurance, significant issues (as defined in the CIPFA Code of Practice) were identified in audit work undertaken and reported by IA as part of the 2021/22 Audit Plan including our review of external sources of assurance. The overall internal audit opinions provided across the Council in 2021/22 are illustrated below and also attached at Appendix B
18. IA experience, covering financial systems, risk and governance, Ofsted's report and the concerns raised by the External Auditor, together with those raised by the Improvement and Assurance Board leads the HoIA to conclude that whilst many internal control systems are operating effectively within the Council, its significant partners and associated groups, the areas of weakness identified as significant above lead to an overall **limited level of assurance** for the systems in place during 2021/22.
19. The Council has set out its requirements for improvement in the Together for Nottingham Plan. Internal Audit will prioritise activity in 2022-23 to align with the Together for Nottingham Plan and continue to identify issues within financial control to assist management in maintaining the effectiveness of the framework.

### **Impact of Covid-19 on Internal Audit work / Management Responses**

20. In a similar fashion to 2020/21, in 2021/22 we again experienced difficulties in obtaining responses from some managers to our draft reports as they were impacted by Covid issues and staff shortages. The issues within these reports are followed up as a matter of course and relied upon for the purposes of the Head of Audit Opinion.

### **3. Basis of Assurance for the Annual Audit Opinion**

#### **2021/22 Audit Plan**

21. The Audit Plan and quarterly monitoring reports were presented to the Committee throughout the year, detailing progress against the Plan. Management are asked to contribute to the planning process, however the plan and its contents are entirely the responsibility of Internal Audit. The audit plan is fluid and has been changed to reflect differing risks and priorities arising during the year. The details of the audits finalised in quarter 4 are provided within appendices A and B and a list of all finalised audit reports issued for 2021/22, issued by 17<sup>th</sup> May 2022, is provided in Appendix B.
22. The final outturn for 2021/22 is summarised in the table below that shows the outturn against planned resources.

## Internal Audit Plan against Actual 2021/22

Audit Title	Planned Days	Actual Days
Governance	275	287
Organisation	155	102
Key Financial Systems	185	122
Procurement & Projects Programme Management	70	76
Risk Based Service Reviews	120	137
Compliance / Challenge	130	91
ICT and Information Governance	174	123
Counter Fraud Responsive	400	502
Corporate Fraud Proactive / Strategy	85	173
Companies / Other Bodies	189	161
Consultancy, Advice and Support	375	381
Development , Redesign & Quality	160	148
<b>Total Days</b>	<b>2318</b>	<b>2301</b>

### **A summary of the audit work from which the opinion is derived**

23. During 2021/22, the Audit Committee was provided with summaries of all reports, levels of assurance and the associated high-rated recommendations as part of its annual work programme. We have endeavoured to improve the type of reporting to committee to better explain the type of work we undertake and at the same time, encourage client departments to respond positively to recommendations made. The latest such report is included as Annexes A to C at the end of this report.

24. Internal Audit reports are normally comprised of a number of findings and recommendations. Dependent on the nature of these findings, the recommendations are classified as High, Medium or Low. In addition, an opinion or level of assurance, which ranges from 'No Assurance', 'Limited Assurance', Moderate Assurance or 'Significant Assurance' also features in each report.

25. The analysis below identifies the level of assurance for those reports issued to Corporate Directors during the 2021/22 audit year excluding grants and independent examiners reports.

Analysis of assurance levels by department

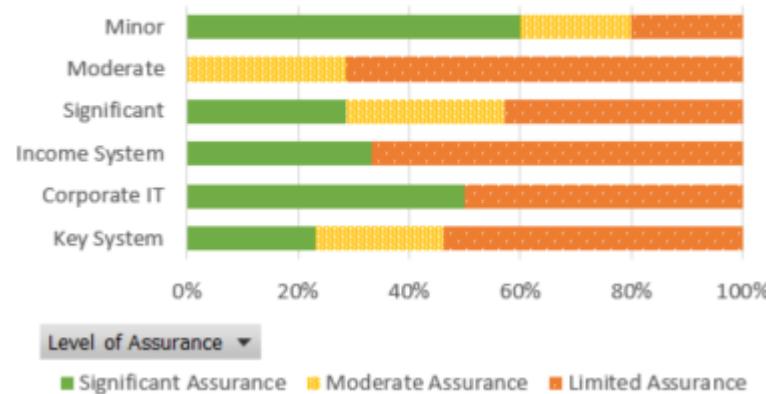
26. We have not issued any reports that have featured a 'No Assurance' opinion i.e. where we believe that there is a poor system of internal control or consistent non-compliance with key controls that presents serious risks to the council. A full list of the final reports issued can be found in Appendix B.

27. We have also responded to ad hoc requests throughout the year and provided feedback and guidance as necessary.

28. We have also analysed the outcomes by corporate impact as shown below in order to contribute to the Head of Audit & Risk's opinion. This analysis includes the results of all key systems reviews for 2021/22, including those reported upon in 2021.

Analysis of assurance levels by corporate impact

## Summary of Audit Report Assurance Level by Corporate Impact of System 2021-22



## Key Financial Systems

29. Our work on key systems during 2021/22 has been challenging. This year the limitations to the scope of our work included:

- Council Tax and Business Rates – we were unable to complete these due to extreme staffing shortages within these sections
- Payroll & HR (EMSS) – work pressures experienced by colleagues in ESC since go live of the new ‘Fusion’ system in 2021, has resulted in limitations to the time and information provided to us.

30. The audit of all key systems has shown an overall deterioration when compared to the previous year, with many systems now featuring Limited Assurance.

31. We intend to work with management at an early stage to agree their prioritisation of an approach for 2022/23 to enable the work programme to be completed on time and in its entirety.

## **Procurement / Contract Management**

32. During the year we have completed a number of audits in this area and they have all been given limited assurance opinions. All of our recommendations are addressed in Procurement Transformation Programme.

## **Risk Management**

33. We have reviewed the implementation of risk management within several audits and have made recommendations where appropriate.

## **Information Governance / ICT**

34. Information, Communication and Technology (ICT) plays a critical role in supporting all the services provided by the Council.

35. The audit work that has been drawn upon by the Head of Internal Audit to form his opinion includes:

<b>Audit</b>	<b>Level of Assurance</b>
PCI Compliance Follow Up	Limited Assurance
IT Change Management Follow Up	Significant Assurance
Use of Social Media Follow Up	Significant Assurance
Civica Income Management Application Review	Significant Assurance
Governance and use of Telematics	Significant Assurance

<b>Audit</b>	<b>Level of Assurance</b>
PCI Compliance Follow Up	Limited Assurance
IT Change Management Follow Up	Significant Assurance
Use of Social Media Follow Up	Significant Assurance
Civica Income Management Application Review	Significant Assurance
IT Security	Limited Assurance
ECINS Follow Up	Moderate Assurance
Civica - Income Management - application review	Significant Assurance

### **Other Risk Based Audits**

36. In accordance with our annual plan, we have undertaken reviews across all departments and the audits have been summarised in Appendix B.

### **Grants**

37. During 2021/22 a number of grant certifications were subject to routine work by Internal Audit including Better Care Fund - DFG 2020/21, LA Bus Subsidy Grant Claim 2020/21, NPIF Grants 2020/21, Local Transport Capital Grant 2020/21, Travel Demand Management, Supporting Families 2021/22, Future Transport Zone Grant and Transforming Cities Grant. We have certified all grant declarations submitted to us in 2021/22 and provided feedback to relevant services.

### **Corporate Reviews**

38. We completed several reviews on behalf of the Chief Executive and the Section 151 Officer to support them in their roles.

## **Ethics & Counter Fraud**

39. Internal Audit includes a Corporate Counter Fraud Team (CCFT) that was established to investigate suspected financial irregularities, conduct pro-active counter fraud exercises and ultimately, save the council money.
40. As with the previous financial year, the team provided support for NCC with regard to the processing of business grant applications. A large proportion of the cashable income achieved was in respect of proactive and reactive work completed in respect of Business Rates and Council Tax accounts.
41. The team will be co-ordinating the responses to internal and the National Fraud Initiative data matching exercise which requires data submissions from all local authorities.
42. Internal Audit acts as a first point of contact for most whistleblowing concerns and supports the Council's Monitoring Officer who leads on the management of the complaints received. We assess all reported irregularities or whistleblowing concerns that are consequently investigated either by Internal Audit & Counter Fraud, the relevant directorate or HR colleagues, as appropriate.

## **Data Analytics**

43. We aim to use data analytics in our planning process to allow us to understand the total population within each data area, to identify issues, focus the scope of our work, target sampling etc. We have used it on our work on Housing Benefits, pro-active counter fraud exercises, Payroll, Accounts Receivable and vehicle usage and have started to further expand our use of planned and systematic data analytics on a routine basis.

## **Follow-Up of Recommendations**

44. The Committee sees summaries of all reports issued and the associated recommendations as part of its quarterly review of IA performance. Systems are in place to monitor these recommendations, and those outstanding beyond their target date are reported to the responsible colleague nominated in the agreed action plans for their follow up. Our programme of activity to follow-up recommendations during the 2021/22 year has identified a range of implementation outcomes. We continue to follow up High priority recommendations until we assess the actions as complete or no longer relevant. The latest update regarding implementation of recommendations can be found in the Annexes to this report.

### **External and Other Assurance Providers**

45. We have reviewed information from external providers of assurance during 2021/22 and identified further requirements in order to be able to assess the assurance concerns identified. These are found within Appendix C.
46. Corporate Directors and statutory officers have provided an assurance statement supporting the AGS for 2021/22. These statements have been supplemented by assurance gathered from key colleagues responsible for Internal Audit, Risk, Human Resources, and other 2<sup>nd</sup> line functions and group companies, and have also been informed by independent external reviews, including those carried out by the external auditor. The AGS for 2021/22 will be published with the 2021/22 draft financial statements once they are complete.
47. We rely upon the assurance provided by external audit and where appropriate follow up any issues identified. We continue to rely on the external assurance commissioned by the Chief Executive and Chief Finance Officer.

### **Changes to Internal Audit Plan**

48. There have been no major changes to the 2021/22 Audit Plan since it was previously approved by the committee.

## **4. Public Sector Internal Audit Standards (PSIAS)**

49. In April 2013, a new set of Public Sector Internal Audit Standards (PSIAS) became effective and they were updated in 2017. PSIAS encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional

Practices Framework (IPPF). The standards apply to Internal Audit in all parts of the public sector in the UK and are mandatory. They seek to secure ‘a professional, independent and objective internal audit’ that makes an effective contribution to governance arrangements.

50. The PSIAS introduced a mandatory requirement for an external assessment of an organisation’s internal audit function, which has to be completed once every five years by a qualified, independent reviewer from outside of the organisation.
51. The assessment of NCC’s Internal Audit function against the requirements of the Standards was recently completed by the Head of Internal Audit from Sheffield City Council. The full report has been shared with the Chair of the Audit Committee and the review found that NCC Internal Audit ‘**generally conforms**’ with the requirements of the Public Sector Internal Audit Standards, which is the highest rating and we have no areas of non-conformance.

### **Quality Assurance & Improvement Plan (QAIP)**

52. The service works to a charter endorsed by the Audit Committee. This charter governs the work undertaken by the service, the standards it adopts and the way it interfaces with the Council. IA colleagues are required to adhere to the code of ethics, standards and guidelines of their relevant professional institutes and the relevant professional auditing standards.
53. The Standards require that the Heads of Internal Audit develop and maintain a Quality Assurance and Improvement Programme (QAIP) which covers all types of Internal Audit activities, including work with external clients. The QAIP must include both internal and external assessments. Internal assessments are both ongoing and periodical and external assessments must be undertaken at least once every five years; as mentioned previously.
54. We can confirm that the section has ongoing monitoring of the performance of the internal audit activity which refers to the day to day supervision, review and measurement of internal audit activity that is built into policies and routine procedures.
55. During 2021 and into 2022, a self-assessment took place to ensure that there has been compliance with all agreed processes and with the requirements of the PSIAS. Issues highlighted by this process have been shared with the team

and corrections/improvements made. The improvement plan from the previous external assessment has been re-visited on a number of occasions and we can confirm that with the exception of some longer term aims which we continue to work towards, Internal Audit has implemented the recommendations.

56. The results of the self-assessment formed the basis for the external review. We have agreed to address the action plan that is contained within the report provided by the external assessor which includes ensuring that visible ongoing and periodic quality assurance is happening within the section.

## **5. Internal Audit Plan 2022-23**

57. The number of days allocated in the plan for 2022/23 to provide the Head of Internal Audit with the necessary evidence for the opinion on the control environment is 2287, which includes the resources required to provide internal audit services to EMSS. A summary of the IA Plan for 2022/23 is provided in Appendix A of this report. The total days for this year assumes that we will successfully recruit to vacant roles in the team.
58. As part of our approach to the 2022/23 audit plan, we will aim to concentrate our resources on those areas which are of greater concern to the Council's Section 151 Officer; reviewing the high level risks identified by the Council, assessing compliance with the Council's financial processes, supporting the Council's Together for Nottingham Plan, supporting the Council's development of its assurance framework, supporting the Council's group of companies and generally looking for the basic controls to be in place within existing council services and encouraging more effective governance / assurance reporting. In addition to local issues, we have considered national issues or areas that have been flagged as an essential part of audit plans, these areas include Cyber and Information Security / Digitalisation Programmes, Risk Management, Agile Working, Business Continuity, Governance / Decision Making (including companies) and Procurement & Contract Management
59. We continue to expand our use of data analytics to provide greater assurance for management from our work and we plan to continue this trend. Key systems work will be developed to incorporate elements of this approach will give a better understanding of assurances.

60. As with previous years, the plan was compiled in consultation with stakeholders across the council and has taken into account our professional judgment, our assessment of risk and the requirements of external auditors. The plan is centered on the need to align audit activity to Council objectives and to meet the requirements of effective corporate governance, including the requirement for the Head of Audit Opinion in the Annual Governance Statement (AGS) on internal controls.

## Internal Audit Plan 2022/23

## Appendix A

Category of Audit	Planned Days
Key / Significant NCC Systems	205
EMSS (Key Systems)	210
Governance	200
Risk Management	60
Organisation / Culture & Ethics	95
Compliance / Challenge/Assurance	177
Ring Fenced Grants / Income / Expenditure	135
Procurement	50
ICT and Information Governance	122
Counter Fraud	470
Consultancy / Advice / Support / Other Bodies	308
Follow Up	40
Development , Transformation & Quality	215
<b>Total Days</b>	<b>2287</b>

**Final Audit Reports issued during 2021/22 (1/04/21 to 17/05/22)**

**Appendix B**

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
NCC Corporate	HR, Equalities, Diversity & Inclusion	Gifts & Hospitality 2020/21	Limited Assurance	↔	2	2	0
<b>Finance &amp; Resources</b>					<b>5</b>	<b>2</b>	<b>0</b>
Finance & Resources	HR, Equalities, Diversity & Inclusion	Coronavirus Job Retention Scheme (Furlough)	Significant Assurance	-	0	0	2
		Disciplinary Process Follow-up 2021/22	Limited Assurance	↑	2	5	0
		NCC Payroll & HR 2020/21	Moderate Assurance	↔	0	2	0
		Pay Policy Compliance - Overtime	Moderate Assurance	↔	0	2	0
		Sickness Management Follow-up 2021/22	Limited Assurance	↑	2	3	0
	<b>HR, Equalities, Diversity &amp; Inclusion Total</b>				<b>4</b>	<b>12</b>	<b>2</b>
Finance & Resources	Information Technology	ICT Procurement 2021/22	Limited Assurance	↔	3	11	0
		IT - Service Desk	Significant Assurance	-	0	1	1
		IT Change Management - Follow-up	Significant Assurance	↔	0	0	0
		IT Security 2020/21	Limited Assurance	↔	6	11	0
	<b>Information Technology Total</b>				<b>9</b>	<b>23</b>	<b>1</b>
	Procurement and Commissioning	Contract Management 2020/21 Follow-up	Limited Assurance	↔	5	2	0
		IR35 Compliance	Moderate Assurance	-	1	3	1
		Procurement Dispensations 2021/22	Limited Assurance	↔	3	0	0
<b>Procurement and Commissioning Total</b>					<b>9</b>	<b>5</b>	<b>1</b>

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low	
Finance & Resources	Strategic Finance	Better Care Fund - DFG 2020/21	Grant Claim	-				
		Business Rates 2020/21	Limited Assurance	↔	2	6	4	
		Capital Programme 2020/21	Moderate Assurance	↑	6	7	0	
		Civica - Income Management - application review	Significant Assurance	-	1	2	0	
		Council Tax 2020/21	Moderate Assurance	↓	0	10	1	
		Cultural Recovery Fund Grant	Grant Claim	-				
		Derby & Nottingham Future Transport Zone 2019-20	Grant Claim	-				
		Harvey Hadden Stadium Trust 2020/21	Independent Examiner's Report	-				
		Highfields Leisure Park Trust 2020/21	Independent Examiner's Report	-				
		Housing Benefits 2020/21	Moderate Assurance	↑	3	1	1	
		LA Bus Subsidy Grant 2020/21	Grant Claim	-				
		Local Transport Capital Grant 2020/21	Grant Claim	-				
		PCI Compliance - Follow-up	Limited Assurance	↓	4	8	1	
		Supporting Families 2021/22	Grant Claim	-				
		Transforming Cities Grants 2019/20 & 2020/21	Grant Claim	-				
		Travel Demand Management	Grant Claim	-				
		Treasury Management 2020/21	Significant Assurance	↔	0	0	0	
<b>Strategic Finance Total</b>					<b>16</b>	<b>34</b>	<b>7</b>	
Strategy and Policy		Use of Social Media - Follow-up	Significant Assurance	-	0	3	0	
<b>Strategy and Policy Total</b>					<b>0</b>	<b>3</b>	<b>0</b>	
<b>Finance &amp; Resources Total</b>					<b>38</b>	<b>77</b>	<b>11</b>	
Growth & City Development	Housing	Housing Rents 2021/22	Limited Assurance	↓	7	3	0	
	<b>Housing Total</b>				<b>7</b>	<b>3</b>	<b>0</b>	

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
	Major Projects & Public Transport	Broadmarsh Car Park & Bus Station Handover	Limited Assurance	-	3	2	0
		Public Transport Smart Ticketing Procurement follow-up	Limited Assurance	↔	3	0	0
		OR05 Redevelopment of Broadmarsh Shopping Centre	Significant Assurance	-	1	0	0
	<b>Major Projects &amp; Public Transport Total</b>				<b>7</b>	<b>2</b>	<b>0</b>
	Traffic & Transport	Transforming Cities Fund Tranche 2 2021/22	Moderate Assurance	↓	4	1	0
	<b>Traffic &amp; Transport Total</b>				<b>4</b>	<b>1</b>	<b>0</b>
<b>Growth &amp; City Development Total</b>					<b>18</b>	<b>6</b>	<b>0</b>
People	Adult Social Care Quality and Change	Deputyship 2021/22	Moderate Assurance	↑	0	3	5
	<b>Adult Social Care Quality and Change Total</b>				<b>0</b>	<b>3</b>	<b>5</b>
	Children's Integrated Services	Supporting Families 2021/22 (summary of controls opinion from quarterly grant claims)	Significant Assurance	↔	0	0	0
		Fostering, Adoption and External Placements Follow Up	Moderate Assurance	↑	2	1	0
	<b>Children's Integrated Services Total</b>				<b>2</b>	<b>1</b>	<b>0</b>
<b>People Total</b>					<b>2</b>	<b>4</b>	<b>5</b>

<b>Department</b>	<b>Division</b>	<b>Activity</b>	<b>Level of Assurance</b>	<b>DoT</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
Resident Services	Community Protection	ECINS - Follow-up 2021/22	Limited Assurance	↔	8	9	0
		Selective Landlord Licensing Follow-up 2020/21	Moderate Assurance	↑	4	5	1
	<b>Community Protection Total</b>				<b>12</b>	<b>14</b>	<b>1</b>
	Neighbourhood Services	Governance & Use of Telematics	Significant Assurance	-	0	1	0
		Vehicle Utilisation 2021/22	Limited Assurance	-	2	7	0
	<b>Neighbourhood Services Total</b>				<b>2</b>	<b>8</b>	<b>0</b>
	Sports, Culture & Parks	Royal Centre & Concert Hall 2019-20 - Follow-up	Limited Assurance	↑	9	5	2
	<b>Sports, Culture &amp; Parks Total</b>				<b>9</b>	<b>5</b>	<b>2</b>
<b>Resident Services Total</b>					<b>23</b>	<b>27</b>	<b>3</b>
<b>Total</b>					<b>86</b>	<b>116</b>	<b>19</b>

## External Assurances

## Appendix C

External Assurance Provider	Assurance Scope : Concerns	Further Assurance Activity
LGA & NCSC	<p><b>National:</b></p> <p><b>LGA cyber security programme newsletter (Dec2021)</b></p> <ul style="list-style-type: none"> <li>• LGA highlighted NCSC alerts</li> <li>• NCSC guidance to mitigate cyber attacks and cyber defence tools. NCSC provide guidance, tools and alerts online.</li> </ul>	<p>Mandatory IT Security training has been implemented across the Council for all staff using computers. Training compliance for the Council is reported quarterly to the Information Compliance Assurance Board.</p> <p>The Annual Information Governance and Compliance Assurance Report was presented to Audit Committee on 29 April 2022. This report included</p> <p>Internal Audit continue to provide a range of IT audits throughout the year including assessments concerning cyber security.</p>
LGA	<p><b>Nottingham City Council Corporate Parenting Peer Diagnostic April 2022</b></p> <p>Peer interviews and a board observation took place in January 2022.</p> <p>Areas for consideration included:</p> <ul style="list-style-type: none"> <li>• Lack of articulated single coherent aspiration or vision</li> <li>• Corporate Parenting Board meets in public, which is quite unusual and can be problematic.</li> <li>• Improvements made in silos, the Corporate Parenting Board could act as the bridge.</li> <li>• The Corporate Parenting Board mode of operation could be enhanced.</li> <li>• Partners attend but are unsure of their role, membership is unclear.</li> <li>• Meetings dominated by lengthy reports and presentations from officers. Needs better balance with discussions.</li> </ul>	<p>This was reported to Corporate Parenting Board in May 2022</p> <p>The Board's response will be tracked in next year's External Assurance</p>

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	<ul style="list-style-type: none"> <li>Adopting a variety of means to hear the voices of children</li> </ul>	
Grant Thornton	<p><b>Nottingham:</b></p> <p><b>Financial Statements Audits</b> – In February 2022 the Council's external auditors Grant Thornton provided an update in respect of their financial statements audit stating 3 significant weaknesses in respect of 2019/20 and 2020/21 financial statements:</p> <ul style="list-style-type: none"> <li>financial sustainability,</li> <li>company governance and</li> <li>delays in finalisation of annual accounts</li> </ul> <p><b>External Audit of Housing Benefit subsidy</b> – There is a significant backlog in completion of external audits of Housing Benefit subsidy claims. Claim audits from 2018-19 onwards remain incomplete.</p>	<p>The first 2 of these issues are covered within TFN. The 3rd points to resourcing of accounts preparation and strengthening of valuation records. Work to strengthen valuation records has been procured and the council is awaiting the full results. This will allow the council to rework the financial accounts that have not been fully audited, after which Grant Thornton will be able to form a view on their adequacy.</p> <p>Officers and NRB continue to work with Grant Thornton to conclude outstanding years' subsidy audits.</p> <p>Internal Audit continue to review the outturn of subsidy audits and the associated systems as part of our internal audits of Housing Benefits and make recommendations for improvements where appropriate.</p>
CQC – Setting Inspection Reports	<p><b>Nottingham:</b></p> <p><b>CQC Inspections in 2021/22</b></p> <p>Cherry Trees Resource Centre – Rated Outstanding by CQC. Last full inspection dated 30March2021. After a review of data in June2022 CQC found no evidence of need to reassess the rating.</p> <p><b>CQC Inspections in previous years</b></p> <p>5 services inspected – all rated Good at last inspection except Cherry Trees Resource Centre rated Outstanding</p> <p>1 new service not yet inspected</p>	No further assurance required
CQC – Adult Social Care:	<p><b>2020 REPORT</b></p> <p><b>National:</b></p>	Assurance updates in Directorate newsletter confirm that:

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	<p><b>CQC State of Care report (Oct 2021)</b></p> <p>The report noted the social care sector continued to be fragile as a result of long-term funding, investment and workforce planning issues but welcomed the Social Care Levy.</p> <p>The vital role of adult social care was made clear during the pandemic, but urgent action is needed to tackle staffing issues and the increased pressures and stresses caused by staff shortages. Monthly data from information submitted to CQC by providers of residential care shows their staff vacancy rate increasing steadily from 6.0% in April 2021 to 10.2% in September 2021. Some care homes whose attempts at recruitment have failed are now having to cancel their registration to provide nursing care, leaving residents looking for new homes in local areas that are already at, or close to, capacity.</p> <p>CQC noted the need to strengthen and embed system working and innovation in the care sector including a personalised model of digital or remote care needs. It also noted that better and consolidated data with improved collection was needed in social care.</p> <p>The report highlights tackling inequality as a continuing challenge, emphasising particular challenges in meeting the needs of people with learning disabilities.</p>	<p>During the pandemic ways of working have been adjusted to ensure that the care and support needs of citizens have been maintained, including redeploying staff to areas of priority and working closely with care providers around the city. The Social Care Reablement service was able to establish a Temporary Emergency Support Team (TEST). This service was established using redeployed staff and an external recruitment drive for temporary contracts. This invited staff that had lost their jobs or were furloughed to come and work for the Council to support vulnerable adults to remain at home safely.</p> <p>The 'Grow Your Own' initiative in partnership with Manchester Metropolitan University continues to be used to support colleagues within the department to become qualified Social Workers.</p> <p>The Council has a specialist Adult Safeguarding Quality Assurance Team who for several years have overseen both safeguarding investigations and closures of care homes, so we have a tried and tested procedure which effectively coordinates such critical incidents. The closure required prompt coordination and collaboration both within Adult Social Care, and with the CCG, police, County, CQC and Age UK. Strong commitment and partnership whilst supporting relatives, identifying alternative placements and aiming to keep the location Covid-free, ensured that residents were supported and safely moved to new locations.</p>
IICSA Independent Inquiry into Child Sexual Abuse	<p><b>Nottingham:</b></p> <p>On 31st July, the Independent Inquiry into Child Sexual Abuse (IICSA) published its findings into the extent of any institutional failures to protect children in the care of Nottingham City and Nottinghamshire County councils from sexual abuse.</p>	<p>The Children's and Young People Scrutiny Committee received a report from the Corporate Director for People in July 2021 and as a consequence of this report and previous reports together with evidence, explanations and assurances provided the Committee concluded that the Council has learnt lessons from the IICSA Inquiry and built that learning, and outstanding issues from the Action Plan</p>

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	<p>There were two key recommendations, for which NCC needed to publish its response by 29<sup>th</sup> February 2020:</p> <ol style="list-style-type: none"> <li>1. Nottingham City Council should assess the potential risk posted by current and former foster carers directly provided by the council in relation to the sexual abuse of children. They should also ensure that current and former foster carers provided by external agencies are assessed by those agencies. Any concerns which arise should be referred to the appropriate body or process, including the Disclosure and Baring Service, the local authority designated officer (LADO) or equivalent, the fostering panel and the police.</li> <li>2. Nottingham City Council and its child protection partners should commission an independent, external evaluation of their practice concerning harmful sexual behaviour, including responses, prevention, assessment, intervention and workforce development. An action plan should be set up to ensure that any recommendations are responded to in a timely manner and progress should be reported to City's Safeguarding Children Partnership.</li> </ol>	<p>into core practice and the Service's wider Improvement Plan; and given the management and oversight arrangements in place there is no need for further specific scrutiny by the Committee.</p>
Competition and Markets Authority	<p><b>Children's social care market study - March 2022</b>  <b>Children's Placements</b>  <b>National:</b>  The CMA launched its study in response to concerns raised (Children's Commissioner report in 2020) <ul style="list-style-type: none"> <li>• LAs too often unable to access appropriate placements</li> <li>• Prices paid place significant strain on LA budgets and limit funding of other important activities</li> </ul> </p>	<p>CIS have previously confirmed attention to the theme of children's placements in relation to the Children's Commissioner report.</p> <p>The Children's Placements Manager confirmed that Placement stability is considered and referenced throughout all placement specifications and highlighted as a success criteria/desired outcome for all external contracts</p> <p>CIS have responded to the CMA Children's Social Care Market Study. CIS have identified work strands to improve commissioning practice, detailed within the CiC Placements Commissioning and Sufficiency</p>

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	<p>The CMA found significant problems with the functioning of the placement market, particularly in England and Wales.</p> <ul style="list-style-type: none"> <li>lack of placements of the right kind, in the right places, means that children do not consistently get access to care and accommodation that meets their needs</li> <li>the largest private providers of placements make materially higher profits, and charge materially higher prices, than expected if this market were functioning effectively</li> <li>some of the largest private providers carry very high levels of debt, creating a risk that disorderly failure of highly-leveraged firms disrupt the placements of children in care.</li> </ul> <p>Recommendations fall in 3 categories, in England for LAs these are:</p> <p><b>Commissioning</b></p> <ul style="list-style-type: none"> <li>Larger scale market engagement – this is to be developed through the government setting up sub-national bodies with each LA participating in one. Duty of LAs to understand and be able to report on when a placement does not fit need (sufficiency).</li> <li>National support for purchaser engagement with the market – LAs duties to include providing relevant data for forecasting activity to the engagement body and on sufficiency.</li> <li>Support for increases in LA foster care – targeted funding for innovative projects by LAs, or groups of LAs, aimed at recruiting and retaining more foster carers to reduce reliance on private placements, subject to careful evaluation to support future policy.</li> </ul>	<p>Strategy – and have worked closely with the County and with Health partners to achieve more collaborative commissioning to support improved outcomes for this group.</p> <p>Expansion of the Fostering Service was one of the reviews commissioned as part of People Directorate transformation within theme 7 of NCC Together for Nottingham plan. Improvement of recruitment processes for foster carers is an identified action in the Children's Social Care Service Redesign, and Executive Board approved procurement of a delivery partner in February 2022.</p>

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	<p><b>Market Barriers / Capacity</b></p> <ul style="list-style-type: none"> <li>(all UK government recommendations regarding regulation, planning and sector review)</li> </ul> <p><b>Provider Failure</b></p> <ul style="list-style-type: none"> <li>(all UK government recommendations regarding oversight regime and managed exit)</li> </ul>	
HM Inspectorate of Probation: Inspection of youth offending services	<p><b>Youth Offending Inspection</b></p> <p><b>Nottingham:</b></p> <p><b>Youth Justice Service (YJS) Inspection</b></p> <p>Nottingham Youth Offending Service was subject to a full three week joint inspection in November and December 2019. This inspection is part of a four-year programme with ratings across three broad areas:</p> <ol style="list-style-type: none"> <li>the arrangements for organisational delivery of the service;</li> <li>the quality of work done with children and young people sentenced by the courts; and</li> <li>the quality of out-of-court disposal work.</li> </ol> <p>Overall, Nottingham City YJS is rated as 'Requires improvement' as reported 19 Mar2020.</p> <p>The following recommendation were made to the Youth Justice Service Management Board:</p> <ol style="list-style-type: none"> <li>review the out-of-court disposal process, making sure that cases are presented on time, and that decisions are consistent, based on an assessment of the child or young person, and are agreed by a multi-agency panel</li> <li>ensure the partnership reviews the number of very young children known to the YJS, and that policies and practices do not</li> </ol>	<p>A Nottingham City Youth Justice Service Improvement Plan has been developed. This is monitored by the Youth Justice Management Board which includes the Nottingham Youth Justice Service, Nottingham City Council, the National Probation Service, Nottinghamshire Police and Nottinghamshire Healthcare NHS Foundation Trust. The improvement plan has seven key objectives each with actions that are RAG rated and updates regarding progress.</p> <p>Progress on the improvement plan was reported to the Youth Justice Management Board in May 2021, 1 of 7 actions was reported complete, with 12 elements of a further 4 actions completed and 2 with no elements completed but considered likely to complete on time. 1 element (a review requiring an effective YJS structure) is considered unlikely to complete on time without significant further action. The last programmed element completion date falls at the end of 2021.</p> <p>The Children &amp; Young People Scrutiny Committee is due to review improvements in November 2022.</p>

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	<p>result in children entering the criminal justice system unnecessarily</p> <p>3. develop victim and restorative justice processes to ensure full consideration of the wishes and needs of victims, and opportunities for restorative justice are applied in every relevant case.</p> <p>The Youth Justice Service heads of service should:</p> <p>4. improve staff's access to clinical supervision and reconsider the use of mandatory interventions while promoting a trauma-informed practice approach to working with children and young people</p> <p>5. seek the views of children and young people, their parents/carers and other stakeholders, so that they can inform future service delivery</p> <p>6. review the quality assurance processes and improve the effectiveness of management oversight in all cases.</p>	
HM Inspectorate of Probation	<p>HMIP The experiences of black and mixed heritage boys in the youth justice system Oct2021</p> <p>In this thematic report HMIP found that many of the boys concerned had experienced multiple adverse childhood experiences and had high levels of need. It set out recommendations including some for local authorities as follows</p> <p><b>Local authorities should:</b></p> <p>8. provide suitable and timely accommodation placements and support packages for black and mixed heritage boys who are facing remand or being released from custody</p> <p>9. make sure that, where children and families are moved to a new location as a result of concerns about their safety, the accommodation and placements provided are suitable and sustainable to meet their needs</p>	<p>Youth Justice Service (YJS) has set out the approach to responding to these recommendations:</p> <p>8 The Local Authority (LA) has introduced the 16/17 Homeless Panel with the specific aim to support children in transition and consider and review the experience of all children at risk of homelessness and who require support from CIS and Housing Aid.</p> <p>This is not specifically aimed at children from black and mixed heritage boys, or those children in the custodial estate, but it is a new process where actions can be taken to address identified need.</p> <p>The High Cost/Transition (formerly the Placements Panel) is chaired by the Director of Children's Services or Head of Service for Children in Care, this panel actively reviews children who are in the process of, or are due to, change placements.</p>

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	<p>10. ensure that black and mixed heritage boys are receiving their legal entitlement to education, including alternative provision when this is deemed necessary, and that the placements are suitable to meet their needs.</p> <p><b>YOS partnership boards should:</b></p> <p>11. have a vision and a strategy for improving outcomes for black and mixed heritage boys, and make sure these are known and understood by YOS staff and partner agencies</p> <p>12. ensure that all board members contribute data from their individual services that identifies areas of disproportionality and the action being taken to address them, and that this data is used to develop a joint strategic needs assessment</p> <p>13. have a joint set of partnership targets, for example with schools and children's services, for improving service delivery to black and mixed heritage boys, and make sure mechanisms are in place to track, monitor and evaluate outcomes.</p> <p><b>YOS managers should:</b></p> <p>14. establish effective processes for gaining feedback from black and mixed heritage boys on the services they receive and use this feedback to assess, review and improve the quality and suitability of service provision</p> <p>15. make sure that staff understand what is expected of them in their work with black and mixed heritage boys and that they are inducted, trained and supported to work effectively with this group of children</p> <p>16. improve the quality of management oversight to make sure that it is sufficiently focused on diversity and what this means in practice and that there are clear escalation routes to address any barriers to black and mixed heritage boys accessing the services they need</p> <p>17. address gaps in specialist provision for black and mixed heritage boys, either by delivering it in-house or by commissioning</p>	<p>9 The LA completes all relevant checks and assessments to match children and families with suitable providers. The assessment for suitability and sustainability of placement is completed by the allocated Social Worker supported by partnership collaboration and sharing of information to ensure the process is robust.</p> <p>10 The LA utilise the Fair Access (FAP) and School Attendance Order process (SAO) to ensure children are in receipt of a suitable education. Ethnicity is not identified through the school admissions process however the LA has a clear statutory responsibility to ensure all children are in receipt of a suitable full-time education. Alternative Provision (AP) access and suitability is the responsibility of the commissioner and the LA only rarely directly commissions alternative provision.</p> <p>The LA currently do not have the mechanisms or resources to ensure that all black and mixed heritage boys across the city are receiving their legal entitlement to education and if in AP are in a suitable placement as we do not hold the information and access to school data systems. Work is underway to improve data sharing and access that may enable clearer reporting at a city, academy trust, school, and pupil level.</p> <p>Specifically, with black and mixed heritage boys in the YJS, key points of contact with all city schools and academies have been established as YJS single points of contact (SPOC) to support any concerns or issues relating to educational provision or placements. The LA's Complex Placement Coordinator and Head of Access to Learning along with the Education Welfare Service are available to support, provide advice to YJS colleagues or to manage any escalations with regards to lack of education in line with legal entitlement.</p> <p>11 Within the Youth Justice Plan is a clear strategy to address disproportionality, this objective is translated into a number of targets within the Operational Delivery Plan. Both the YJ Plan and Operational Delivery Plan have been shared with partners at board level and to staff across the service. The plan is updated every quarter demonstrating progress against the objectives. The Disproportionality</p>

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	<p>it from appropriate local community organisations and evaluate referral and uptake rates for the services provided</p> <p>18. offer suitable and appropriate support and intervention to the parents and/or carers of black and mixed heritage boys and regularly review the uptake and suitability of this provision.</p>	<p>working group within the service, that has membership from across the partnership, is leading on the objectives.</p> <p>12 All partners within the partnership regularly share data across a range of demographics, including race and ethnicity at a strategic level. The partnership needs to make improvements on sharing of this data at an operational level to reduce duplication and enable improved service design.</p> <p>13 YJS has a clear set of targets that has been approved by the partnership board which includes Children's Integrated Services and Education. Board members feedback on their activities that specifically relate to the children being supported by the YJS.</p> <p>14 While we haven't specifically targeted Black and Mixed Heritage boys in the recent feedback exercise that has been undertaken, we have increased our use of service user feedback and engagement surveys with specific regard to the induction experienced by all children on open YJS interventions. We now have an established feedback process that is currently being used to gather responses from children and will be used to review and improve the quality and suitability of service provision. This process can now be targeted thematically and towards specific demographics of service user.</p> <p>15 All staff have attended and completed the Unconscious Bias and Cultural Competency training recently provided by the OPCC and VRU, the feedback from staff has been universally positive. The application of this training into operational practice includes the development of our Quality Assurance processes that evidences our recorded work and observed practice, including use of language in meetings, discussions about children in supervision and multi-agency meetings. We are exploring further training opportunities within this subject matter.</p> <p>16 All quality assurance tools, for Assetplus, OOCD reports and PSRs include questions regarding diversity and identity to ensure that the report is appropriately focused. The YJS has a clear escalation policy as part of Children's Integrated Services. This is monitored through the Children's Safeguarding Partnership, all relevant, recorded escalations</p>

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		<p>have been audited by this group as part of their audit and quality assurance framework.</p> <p>17 All children subject to YJS intervention following comprehensive assessment receive an holistic and individualised service ensuring there are minimal gaps in service provision on an individual level. If unmet additional needs are identified, staff access local community and voluntary sector provision, including those directly commissioned by the OPCC to support the work being delivered by the YJS. The YJS Service Manager sits on the OPCC Stakeholder Panel that oversees the initial stages of the commissioning process.</p> <p>18 This is a significant gap in service delivery, there are no specific programmes offered by the YJS and the YJS does not have a parenting service. Staff access parenting support available through the Children's Integrated Services. YJS staff take a whole family approach to ensure that parents and carers are fully involved in their child's intervention and support.</p>
Ofsted	<p><b>Nottingham</b></p> <p>Ofsted and the DfE have continued to work closely regarding improvements with Nottingham following its Ofsted focused visit of February 2020.</p> <p>An <b>Inspection of Nottingham City local authority children's services</b> took place in July 2022 and the report was published in September 2022. Inspectors rated Services for children who need help and protection as inadequate because there are serious failures, leaving children at continued risk of harm when they are first presented as in need of support.</p> <p>Inspectors stated that the following areas need improvement:</p> <ul style="list-style-type: none"> <li>• Effectiveness and timeliness of responses to children's needs when first presented to the multi-agency safeguarding hub (MASH).</li> </ul>	<p>All of Nottingham City Council Local Authority Children's homes are understood to have achieved an Ofsted Inspection result of either Good or Outstanding.</p> <p>An action plan to address the areas for improvement identified in the <b>Inspection of Nottingham City local authority children's services</b> is now being drawn up, NCC recognises the areas for improvement identified, and has taken some swift action where it has been needed.</p> <p>The inspectors acknowledged that improvements had already been made in Children's Services. In particular, they found:</p> <ul style="list-style-type: none"> <li>• Children are well-supported once they are allocated a social worker. Strong relationships are formed between the social worker and the families they help</li> <li>• A clear process is in place to intervene when a child's circumstances are not improving</li> </ul>

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	<ul style="list-style-type: none"> <li>• Management oversight and direction of front-line work and the local authority designated officer (LADO).</li> <li>• Social work capacity, so that social workers and first-line managers can respond effectively to children in need of help and protection, and that children in care have greater consistency of social worker.</li> <li>• Placement sufficiency for children in care and those with complex needs.</li> <li>• The service response to care leavers aged 21 and over.</li> <li>• The service response to young people who are aged 16 and 17 who present as homeless.</li> <li>• The quality and timeliness of return home interviews.</li> <li>• Oversight of children missing from education and those who are electively home educated.</li> </ul> <p><b>Children's Homes Inspections</b></p> <p>Beckhampton, Mettham Street, Chippenham Road, Wood View &amp; Edwards Lane homes have been judged as GOOD. Crocus Fields judged OUTSTANDING. All judgements are now Good or Outstanding.</p>	<ul style="list-style-type: none"> <li>• Children are matched for adoption much more quickly and siblings are often adopted together</li> <li>• Foster carers provide consistent, good quality care</li> <li>• The emotional and mental health needs of children are being met</li> <li>• Unaccompanied asylum-seeking children are well supported</li> <li>• The service works well with partners to provide the best outcomes for children and young people</li> </ul> <p>During the visit, Inspectors also noted that NCC remains committed to improving the quality of Children's Services, despite the financial challenges being faced.</p> <p>The Council works closely with the LGA, DfE and Ofsted to keep them updated on progress.</p> <p>During the improvement journey since the 2020 report assurances have been provided to CLT, Leadership Group, Executive Panel, Executive Board, Audit Committee and the Children's and Young People Scrutiny Committee in July 2020, March and September 2021. An Action Plan was created with the Children at the Heart Improvement Board including key partners established to drive its delivery. The action plan was agreed with Ofsted and includes support from LGA, DfE and Essex County Council (as a Partner in Practice since May 2020 to support improvement).</p> <p>Transformation plans have been developed in 2021/22, and reported to various council forums, which aim to achieve improvement in outcomes and cost effectiveness.</p> <p>The Corporate Parenting Board receives quarterly performance tracking reports in respect of work with Children in Care and Children Leaving Care.</p>

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Ofsted and Care Quality Commission	<p><b>Nottingham:</b> <b>SEND Local Area Review</b></p> <p>The inspection did not identify any significant weaknesses in Nottingham City's SEND provision that would require the inspectorates to issue a Written Statement of Action.</p> <p>The report included strengths and areas for improvement. Areas for improvement are listed below.</p> <p><b>Identifying needs</b></p> <ul style="list-style-type: none"> <li>• Strategy for early identification not communicated well enough</li> <li>• The system to identify and meet needs is not well-enough understood by all parents.</li> <li>• Strategy to transfer from children's services into adult services not yet in place. Support needs improvement.</li> <li>• Too long a wait for assessments to identify possible autism spectrum disorder</li> <li>• Some parents are resorting to paying for private assessments and therapies due to assessment waiting times</li> </ul> <p><b>Meeting needs</b></p> <ul style="list-style-type: none"> <li>• Lack of consistent quality assurance process for EHC plans.</li> <li>• Health and social care contributions to EHC plans are often lacking in detail. Some descriptions of educational needs are overly complex.</li> <li>• Most parents do not know where to find the extensive published information available for parents.</li> </ul>	<p><b>SEND</b></p> <p>Nottingham City LA has a statutory responsibility to ensure that there is sufficient, high quality provision available locally to meet the needs of learners with SEND.</p> <p>Actions in respect of the report's findings were reported to the Children and Young People Scrutiny Committee in January 2022. Among these were:</p> <ul style="list-style-type: none"> <li>• Aligning future SEND plans and the Joint Strategic Needs Assessment with findings</li> <li>• Developing a local communications strategy</li> <li>• Commissioning a 3 bed unit for the most complex children and families experiencing crisis</li> </ul> <p>The November meeting had heard about action to improve inclusion. The Minister for Children and Families has written to colleagues at NCC congratulating them on the findings in the NCC Ofsted and CQC SEND inspection report. A further review of progress in relation to SEND is scheduled for March 2023.</p> <p>The Children's Partnership Board received a report on learning from the SEND report in March 2022.</p>

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	<ul style="list-style-type: none"> <li>• Until very recently, that professionals accessing the electronic records were not alerted to a child or young person's additional needs, due to lack of template or icon.</li> <li>• There are significant recruitment difficulties within some therapy teams.</li> <li>• The BEMH pathway is not communicated well enough to parents.</li> </ul> <p>Improving outcomes</p> <ul style="list-style-type: none"> <li>• There are limited social and recreational opportunities in the community that children and young people with SEND can access.</li> <li>• Recent improvements to the management of resources and funding for CAMHS has yet to make a difference long SEND waiting times</li> <li>• The short-break offer does not currently meet the range of diverse needs and disabilities of children and young people and their families.</li> <li>• The health services available to adults with SEND are not equivalent in quality to those available to children and young people with SEND.</li> <li>• Educational outcomes for children and young people with SEND in Nottingham are improving but are still too low.</li> <li>• Information to understand area leaders' strategy</li> <li>• Leaders have not ensured that key information for parents is widely disseminated and fully accessible.</li> </ul>	
National Association of Virtual	<b>Nottingham:</b> <b>Virtual School Peer review challenge (March 2021)</b>	Actions from the peer review were included in the Virtual School's annual School Improvement Plan (SIP) 2021/22 The following areas of activity related to the Peer Review are shown as complete or substantially complete in the SIP.

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School Heads	<p>The peer review recognised strengths and made the following recommendations</p> <ul style="list-style-type: none"> <li>• Ensure arrangement for Post 16 young people and Early Years in your care are as strong as all other cohorts.</li> <li>• Ensure there is a balance between compliance and quality of PEPs as you move through this transition period. Both areas require improvement.</li> <li>• With the planned reduction in DSG support for the Virtual School team in future years – Explore the most effective ways to maintain staffing levels for the benefit of children in your care</li> </ul> <p>The challenge also invited consideration of</p> <ul style="list-style-type: none"> <li>• use of data to inform practice (at case work level) and the interventions provided by the Virtual School.</li> <li>• consider allocating SENCO responsibility</li> <li>• how the Virtual School might support those placed outside of areas requires clarification so that children placed out of city receive equitable services.</li> <li>• contact for a short period when the young person starts attending school again.</li> <li>• transition for care leavers and 18-25 support</li> <li>• consistent analysis and use of data to track children who are excluded, out of area and without a school place</li> </ul>	<ul style="list-style-type: none"> <li>• Use of data</li> <li>• PEP quality assurance framework</li> <li>• Education within placement planning</li> </ul> <p>The remaining areas in the SIP related to the Peer Review are</p> <ul style="list-style-type: none"> <li>• support for children in care placed out of area</li> <li>• distribution of Early Years Pupil Premium funding and the subsequent monitoring of impact</li> <li>• identifying and celebrating best practice use of PPP</li> <li>• Post 16</li> <li>• Early Years</li> </ul>
LGA - Early Years Peer Challenge	<p><b>Nottingham:</b>  <b>Local Government Association Peer Challenge Programme October 2019.</b></p> <p>The Local Government Association's (LGA) Peer Challenge programme came to Nottingham from 15-18 October 2019, focusing on speech, language and communication in the early</p>	<p>The Children and Young People Scrutiny Committee received a progress report in March 2021 from Early Years on an SLC Strategy which is in development. It is expected that joint commissioning of SLC support including therapy will be a key element of the strategy. Colleagues are working with Derby and Leicester to centralise SLC resources for the city and to support parents, carers and</p>

External Assurance Provider	Assurance Scope : Concerns	Further Assurance Activity
	<p>years of a child's life (0–5). The Peer Challenge is part of the DfE's <i>Unlocking Talent, Fulfilling Potential</i>: a plan for improving social mobility through education programme, and ambition one is to close the word gap in the early years.</p> <p>The programme found that Nottingham City Council has a very strong and well informed political leadership and management who are championing the early years agenda for the city. There is a committed workforce across the Council, partners and the private, voluntary and independent childcare sector. There is clear evidence of integration across the city, however there are opportunities for providers and commissioners to further develop this work and the need for a city-wide speech, language and communication strategy to provide greater clarity on pathways for families, appropriate referrals to services and more timely interventions.</p> <p>The following key recommendations were made:</p> <ul style="list-style-type: none"> <li>• Develop an area wide 0 – 5 Early Years Strategy with a particular focus on speech, language and communication including a shared outcomes framework and data dashboard and a clear offer from children's centres</li> <li>• Co-produce a parenting journey from a child's conception through to school</li> <li>• Review the Speech and Language Therapy (SALT) offer to include group sessions ('Chatterbox' or 'Home Talk') with the aim of supporting triage, upskilling wider workforce, avoiding unnecessary assessments and providing input whilst awaiting specialist assessment</li> </ul>	<p>professionals to navigate what is available, so that they can help children to develop their SLC skills. Information has been centralised in one place, called the Balanced System pathway, providing clear guidance and support. Data analysis is a key element of the approach to improvement.</p> <p>In January 2022 the Schools Forum approved measures to change the funding distribution criteria from April 2022 to ensure settings were supported with SEND needs and fully distribute previous underspends to support heightened Speech Language &amp; Communication needs.</p> <p>In September 2021 the Children and Young People Scrutiny Committee received a report on Early Years Entitlements Funding including measures to encourage take up of entitlement, work on the Speech Language and Communication Strategy, and sufficiency of childcare provision.</p>

External Assurance Provider	Assurance Scope : Concerns	Further Assurance Activity
	<ul style="list-style-type: none"> <li>• Review the use of children's centres as venues for childminder groups, voluntary sector, peer led groups, other partners and more universal provision</li> <li>• Accelerate the integrated approach for the 2 ½ year checks – pilot with nurseries and CityCare the joint completion of the check</li> <li>• Increase the take up of 2, 3 and 4 year old funding, working with partner agencies to identify eligible children and parent champions to engage families</li> <li>• Review the approach to identifying and addressing needs of targeted cohorts not reaching GLD through effective data analysis</li> <li>• Consider developing a local authority cohort tracker for the return of summative EYFS data to evidence progress and inform intervention</li> <li>• Ensure that speech, language and communication needs inform Integrated Care System (ICS) long term planning to improve children's outcomes and reduce inequalities</li> <li>• Creation of moderation hubs across the city</li> <li>• Use the documents that were provided for this peer challenge as the basis for a resource for your own workforce</li> </ul>	

External Assurance Provider	Assurance Scope : Concerns	Further Assurance Activity
Office of the Public Guardian	<p><b>Nottingham:</b></p> <p><b>Office of the Public Guardian (OPG) Assurance Visit</b></p> <p>OPG uses assurance visits as a means of supervising public authority deputies. Assurance visits look at specific cases selected for review and also at how a deputy ensures the proper management and administration of their deputyship caseload.</p> <p>The visit emphasised that the Deputyship systems and review documents are extremely well organised. Consistent praise was provided from the Clients and their placements in regard to communication with the Deputyship Team. It is clear that the Deputyship team is dedicated to their Clients and ensuring all their needs are met</p>	No further assurance required

## Definitions of Levels of Assurance & Recommendations

## Appendix D

### Levels of Assurance

We use four categories to classify Internal Audit assurance over the processes examined, these are defined as follows:

<b>Significant Assurance</b>	There is a generally sound system of control designed to meet the organisation's objectives and that controls are being applied consistently in the areas reviewed.
<b>Moderate Assurance</b>	Generally a sound system of internal control designed to achieve the organisation's objectives with some exceptions and / or evidence of non-compliance with some controls that may put some of the system objectives at risk
<b>Limited Assurance</b>	Weaknesses identified in the procedures and controls in key areas and / or non-compliance with key procedures and controls which constitutes a risk to the achievement of the organisation's objectives
<b>No Assurance</b>	Poor system of internal control or consistent non-compliance with key controls which could result in failure to achieve the organisation's objectives

Where appropriate we may also comment on the level of assurance we can give that objectives will be met. This may apply when there are risks either partially or wholly outside of the control of management.

### Categorisation of Recommendations

<b>High Priority</b>	A weakness where there is substantial risk of loss, fraud, impropriety, poor VFM or failure to achieve organisational objectives. Such risks could lead to an adverse impact on the business
<b>Medium Priority</b>	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor VFM. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
<b>Low Priority</b>	Weaknesses that individually have no significant impact but where management would benefit from improved controls and / or have the opportunity to achieve greater effectiveness and / or efficiency.

## Annex A1 – Summary of Audits concluded in 2021/22 and reported since last update

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
Finance & Resources	Procurement and Commissioning	IR35 Compliance	Moderate Assurance	-	1	3	1
	Strategic Finance	Cultural Recovery Fund Grant	Grant Claim	-			
		Derby & Nottingham Future Transport Zone 2019/20	Grant Claim	-			
		Supporting Families 2021/22	Grant Claim	-			
		Transforming Cities Grants 2019-20 & 2020/21	Grant Claim	-			
<b>Finance &amp; Resources Total</b>					<b>1</b>	<b>3</b>	<b>1</b>
Growth & City Development	Housing	Housing Rents 2021/22	Limited Assurance	↓	7	3	0
	Major Projects	Broadmarsh Car Park & Bus Station Handover	Limited Assurance	-	3	2	0
<b>Growth &amp; City Development Total</b>					<b>10</b>	<b>5</b>	<b>0</b>
People	Children's Integrated Services	Supporting Families 2021/22 (summary of controls opinion from quarterly grant claims)	Significant Assurance	↔	0	0	0
<b>People Total</b>					<b>0</b>	<b>0</b>	<b>0</b>
Resident Services	Community Protection	ECINS - Follow-up 2021/22	Limited Assurance	↔	8	9	0
	Neighbourhood Services	Vehicle Utilisation 2021/22	Limited Assurance	-	2	7	0
<b>Resident Services Total</b>					<b>10</b>	<b>16</b>	<b>0</b>
<b>Total</b>					<b>21</b>	<b>24</b>	<b>1</b>

## Annex A2 – Summary of Audits concluded in 2020/21 & 2021/22 to 17May2022

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
NCC Corporate	HR, Equalities, Diversity & Inclusion	Gifts & Hospitality 2020/21	Limited Assurance	↔	2	2	0
	Legal & Governance	Decision Making	Limited Assurance	-	3	0	0
<b>NCC Corporate Total</b>					<b>5</b>	<b>2</b>	<b>0</b>
Finance & Resources	HR, Equalities, Diversity & Inclusion	Coronavirus Job Retention Scheme (Furlough)	Significant Assurance	-	0	0	2
		Disciplinary Process Follow-up 2021/22	Limited Assurance	↑	2	5	0
		NCC Payroll & HR 2020/21	Moderate Assurance	↔	0	2	0
		Pay Policy Compliance - Overtime	Moderate Assurance	↔	0	2	0
		Sickness Management Follow-up 2021/22	Limited Assurance	↑	2	3	0
	<b>HR, Equalities, Diversity &amp; Inclusion Total</b>				<b>4</b>	<b>12</b>	<b>2</b>
Information Technology	Information Technology	Cloud based applications (Software as a Service)	Moderate Assurance	-	4	8	0
		ICT Procurement 2021/22	Limited Assurance	↔	3	11	0
		IT - Service Desk	Significant Assurance	-	0	1	1
		IT Change Management - Follow-up	Significant Assurance	↔	0	0	0
		IT Security 2020/21	Limited Assurance	↔	6	11	0
	<b>Information Technology Total</b>				<b>13</b>	<b>31</b>	<b>1</b>
Procurement and Commissioning	Procurement and Commissioning	Contract Management 2020/21 Follow-up	Limited Assurance	↔	5	2	0
		IR35 Compliance	Moderate Assurance	-	1	3	1
		Procurement Dispensations 2021/22	Limited Assurance	↔	3	0	0
	<b>Procurement and Commissioning Total</b>				<b>9</b>	<b>5</b>	<b>1</b>

## Annex A2 – Summary of Audits concluded in 2020/21 & 2021/22 to 17May2022

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
Finance & Resources	Strategic Finance	Bank Reconciliation 2020/21	Significant Assurance	↔	0	0	0
		Better Care Fund - DFG 2019/20	Grant Claim	-			
		Better Care Fund - DFG 20-21	Grant Claim	-			
		Budget Monitoring 2020/21	Moderate Assurance	⬇	0	1	0
		Business Rates 2020/21	Limited Assurance	↔	2	6	4
		Capital Programme 2020/21	Moderate Assurance	↑	6	7	0
		Civica - Income Management - application review	Significant Assurance	-	1	2	0
		Council Tax 2020/21	Moderate Assurance	⬇	0	10	1
		Cultural Recovery Fund Grant	Grant Claim	-			
		Derby & Nottingham Future Transport Zone 2019/20	Grant Claim	-			
		Harvey Hadden Stadium Trust 2020/21	Independent Examiner's Report	-			
		Highfields Leisure Park Trust 2020/21	Independent Examiner's Report	-			
		Housing Benefits 2020/21	Moderate Assurance	↑	3	1	1
		LA Bus Subsidy Grant 2020/21	Grant Claim	-			
		LA Bus Subsidy Grant Claim 2019-20	Grant Claim	-			
		Local Transport Capital Grant 2019-20	Grant Claim	-			
		Local Transport Capital Grant 2020/21	Grant Claim	-			
		Main Accounting 2020/21	Significant Assurance	↔	0	0	0
		NCC Accounts Receivable 2020/21	Significant Assurance	↔	0	0	0

## Annex A2 – Summary of Audits concluded in 2020/21 & 2021/22 to 17May2022

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low	
Finance & Resources	Strategic Finance	NPIF Grants Audit 2019-20	Grant Claim	-				
		PCI Compliance - Follow-up	Limited Assurance	⬇️	4	8	1	
		Supporting Families 2021/22	Grant Claim	-				
		Transforming Cities Grants 2019-20 & 2020/21	Grant Claim	-				
		Travel Demand Management	Grant Claim	-				
		Treasury Management 2020/21	Significant Assurance	↔️	0	0	0	
	<b>Strategic Finance Total</b>				<b>16</b>	<b>35</b>	<b>7</b>	
	Strategy and Policy	Performance Management 2019-20	Moderate Assurance	↔️	1	3	0	
		Use of Social Media - Follow-up	Significant Assurance	-	0	3	0	
<b>Strategy and Policy Total</b>					<b>1</b>	<b>6</b>	<b>0</b>	
<b>Finance &amp; Resources Total</b>					<b>43</b>	<b>89</b>	<b>11</b>	
Growth & City Development	Economic Development & Property	Corporate Property Maintenance	Significant Assurance	↔️	1	5	0	
	<b>Economic Development &amp; Property Total</b>				<b>1</b>	<b>5</b>	<b>0</b>	
	Energy Sustainability & Carbon Neutrality	NCC Carbon Neutral Commitment	Limited Assurance	-	6	14	0	
	<b>Energy Sustainability &amp; Carbon Neutrality Total</b>				<b>6</b>	<b>14</b>	<b>0</b>	
	Housing	Housing Rents 2021/22	Limited Assurance	⬇️	7	3	0	
	<b>Housing Total</b>				<b>7</b>	<b>3</b>	<b>0</b>	
	Major Projects & Public Transport	Broadmarsh Car Park & Bus Station Handover	Limited Assurance	-	3	2	0	
		Public Transport Smart Ticketing Procurement follow-up	Limited Assurance	↔️	3	0	0	

## Annex A2 – Summary of Audits concluded in 2020/21 & 2021/22 to 17May2022

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
Growth & City Development	Major Projects & Public Transport	OR05 Redevelopment of Broadmarsh Shopping Centre	Significant Assurance	-	1	0	0
	<b>Major Projects &amp; Public Transport Total</b>				<b>7</b>	<b>2</b>	<b>0</b>
	Traffic & Transport	Public Transport follow up	Limited Assurance	↔	0	0	0
		Traffic & Safety Capital Projects 2020/21 Follow-up	Limited Assurance	↔	6	1	0
		Transforming Cities Fund Tranche 1	Significant Assurance	-	0	0	0
		Transforming Cities Fund Tranche 2 2021/22	Moderate Assurance	⬇	4	1	0
	<b>Traffic &amp; Transport Total</b>				<b>10</b>	<b>2</b>	<b>0</b>
	<b>Growth &amp; City Development Total</b>				<b>31</b>	<b>26</b>	<b>0</b>
People	Adult Social Care Quality and Change	Deputyship 2021/22	Moderate Assurance	⬆	0	3	5
	<b>Adult Social Care Quality and Change Total</b>				<b>0</b>	<b>3</b>	<b>5</b>
	Children's Integrated Services	Supporting Families 2021/22 (summary of controls opinion from quarterly grant claims)	Significant Assurance	↔	0	0	0
		Fostering, Adoption and External Placements Follow Up	Moderate Assurance	⬆	2	1	0
	<b>Children's Integrated Services Total</b>				<b>2</b>	<b>1</b>	<b>0</b>
	Education	Nottingham Schools Trust follow up 2020/21	Moderate Assurance	⬆	4	4	0
	<b>Education Total</b>				<b>4</b>	<b>4</b>	<b>0</b>
	<b>People Total</b>				<b>6</b>	<b>8</b>	<b>5</b>

## Annex A2 – Summary of Audits concluded in 2020/21 & 2021/22 to 17May2022

Department	Division	Activity	Level of Assurance	DoT	High	Medium	Low
Resident Services	Community Protection	ECINS - Follow-up 2021/22	Limited Assurance	↔	8	9	0
		Selective Landlord Licensing Follow-up 2020/21	Moderate Assurance	↑	4	5	1
	<b>Community Protection Total</b>				<b>12</b>	<b>14</b>	<b>1</b>
	Neighbourhood Services	Governance & Use of Telematics	Significant Assurance	-	0	1	0
		Parks, Open Spaces Contracting	Moderate Assurance	-	0	6	3
		Vehicle Utilisation 2021/22	Limited Assurance	-	2	7	0
	<b>Neighbourhood Services Total</b>				<b>2</b>	<b>14</b>	<b>3</b>
	Sports, Culture & Parks	Royal Centre & Concert Hall 2019-20 - Follow-up	Limited Assurance	↑	9	5	2
	<b>Sports, Culture &amp; Parks Total</b>				<b>9</b>	<b>5</b>	<b>2</b>
<b>Resident Services Total</b>					<b>23</b>	<b>33</b>	<b>6</b>
<b>Total</b>					<b>108</b>	<b>158</b>	<b>22</b>

Denotes reported for the first time here

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
NCC Corporate	HR, Equalities, Diversity & Inclusion	Gifts & Hospitality 2020/21	Limited Assurance	↔	2	1	0	1		1	⬇️
	Legal & Governance	Decision Making	Limited Assurance	-	3	2		1		1	⬆️
<b>NCC Corporate Total</b>				<b>5</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>		
Finance & Resources	HR, Equalities, Diversity & Inclusion	Coronavirus Job Retention Scheme (Furlough)	Significant Assurance	-	0						
		Disciplinary Process Follow-up 2021/22	Moderate Assurance	↑	2			2	2	0	⬆️
		NCC Payroll & HR 2020/21	Moderate Assurance	↔	0						
		Pay Policy Compliance - Overtime	Moderate Assurance	↔	0						
		Sickness Management Follow-up 2021/22	Limited Assurance	↑	2		2	0			
<b>HR, Equalities, Diversity &amp; Inclusion Total</b>				<b>4</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>		

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

							Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend	
Finance & Resources	Information Technology	Cloud based applications (Software as a Service)	Moderate Assurance	-		see next line						
		ICT Procurement 2021/22	Limited Assurance	↔	3			3		3	↓	
		IT - Service Desk	Significant Assurance	-	0							
		IT Change Management - Follow-up	Significant Assurance	↔	0							
		IT Security 2020/21	Limited Assurance	↔	6	5		1		1	↔	
	<b>Information Technology Total</b>				<b>9</b>	<b>5</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>		
	Procurement and Commissioning	Contract Management 2020/21 Follow-up	Limited Assurance	↔	5	1	4	0			↑	
		IR35 Compliance	Moderate Assurance	-	1	1		0				
		Procurement Dispensations 2021/22	Limited Assurance	↔	3	2	1	0			↑	
	<b>Procurement and Commissioning Total</b>				<b>9</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>		

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
Finance & Resources	Strategic Finance	Bank Reconciliation 2020/21	Significant Assurance	↔	0						
		Better Care Fund - DFG 2019-20	Grant Claim	-							
		Better Care Fund - DFG 20-21	Grant Claim	-							
		Budget Monitoring 2020/21	Moderate Assurance	⬇	0						
		Business Rates 2020/21	Limited Assurance	↔	2			2		2	
		Capital Programme 2020/21	Moderate Assurance	↑	6	5		1		1	
		Civica - Income Management - application review	Significant Assurance	-	1			1		1	
		Council Tax 2020/21	Moderate Assurance	⬇	0						
		Cultural Recovery Fund Grant	Grant Claim	-							

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

							Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend	
Finance & Resources	Strategic Finance	Derby & Nottingham Future Transport Zone 2019-20	Grant Claim	-								
		Harvey Hadden Stadium Trust 2020/21	Independent Examiner's Report	-								
		Highfields Leisure Park Trust 2020/21	Independent Examiner's Report	-								
		Housing Benefits 2020/21	Moderate Assurance	↑	3	1		2		2	↔	
		LA Bus Subsidy Grant 2020/21	Grant Claim	-								
		LA Bus Subsidy Grant Claim 2019-20	Grant Claim	-								
		Local Transport Capital Grant 2019-20	Grant Claim	-								
		Local Transport Capital Grant 2020/21	Grant Claim	-								

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

							Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend	
Finance & Resources	Strategic Finance	Main Accounting 2020/21	Significant Assurance	↔								
		NCC Accounts Receivable 2020/21	Significant Assurance	↔	0							
		NPIF Grants Audit 2019-20	Grant Claim	-								
		PCI Compliance - Follow-up	Limited Assurance	⬇	4	1		3		3	↔	
		Supporting Families 2020/21	Grant Claim	-								
		Transforming Cities Grants 2019-20 & 2020/21	Grant Claim	-								
		Travel Demand Management	Grant Claim	-								
		Treasury Management 2020/21	Significant Assurance	↔	0							
	Strategic Finance Total				16	7	0	9	0	9		

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
Finance & Resources	Strategy and Policy	Performance Management 2019-20	Moderate Assurance	↔	1	1		0			↔
		Use of Social Media - Follow-up	Significant Assurance	-	0						
	<b>Strategy and Policy Total</b>				<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Finance &amp; Resources Total</b>				<b>39</b>	<b>17</b>	<b>7</b>	<b>15</b>	<b>2</b>	<b>13</b>		
Growth & City Development	Economic Development & Property	Corporate Property Maintenance	Significant Assurance	↔	1	1		0			↑
	<b>Economic Development &amp; Property Total</b>				<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	Energy Sustainability & Carbon Neutrality	NCC Carbon Neutral Commitment	Limited Assurance	-	6	1		5		5	↓
	<b>Energy Sustainability &amp; Carbon Neutrality Total</b>				<b>6</b>	<b>1</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>5</b>	
	Housing	Housing Rents 2021/22	Limited Assurance	↓	7		6	1		1	↓
	<b>Housing Total</b>				<b>7</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>1</b>	
	Major Projects & Public Transport	Broadmarsh Car Park & Bus Station Handover	Limited Assurance	-	3	3		0			↑

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
Growth & City Development	Major Projects & Public Transport	Public Transport Smart Ticketing Procurement follow-up	Limited Assurance	↔	3	3		0			↑
		OR05 Redevelopment of Broadmarsh Shopping Centre	Significant Assurance	-	1	1		0			↑
	<b>Major Projects &amp; Public Transport Total</b>				<b>7</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	Traffic & Transport	Public Transport follow up	Limited Assurance	↔	0						
		Traffic & Safety Capital Projects 2020/21 Follow-up	Limited Assurance	↔	6			6		6	↔
		Transforming Cities Fund Tranche 1	Significant Assurance	-	0						
		Transforming Cities Fund Tranche 2 2021/22	Moderate Assurance	↓	4			4		4	↔
		<b>Traffic &amp; Transport Total</b>				<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>Growth &amp; City Development Total</b>				<b>31</b>	<b>9</b>	<b>6</b>	<b>16</b>	<b>0</b>	<b>16</b>		

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
People	Adult Social Care Quality and Change	Deputyship 2021/22	Moderate Assurance	↑	0						
	<b>Adult Social Care Quality and Change Total</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	Children's Integrated Services	Fostering, Adoption and External Placements Follow Up	Limited Assurance	↔	2			2		2	↔
		Supporting Families 2021/22	Significant Assurance	↑	0						
	<b>Children's Integrated Services Total</b>				<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	
	Education	Nottingham Schools Trust follow up 2020/21	Moderate Assurance	↑	4	2		2		2	↔
	<b>Education Total</b>				<b>4</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	
<b>People Total</b>					<b>6</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>	

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
Resident Services	Community Protection	ECINS - Follow-up 2021/22	Limited Assurance	↔	8	2		6		6	↑
Resident Services	Community Protection	Environmental Health & Safer Housing - Selective Landlord Licensing Follow-up 2020/21	Moderate Assurance	↑	4	4		0			↔
	<b>Community Protection Total</b>			<b>12</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>6</b>		
	Neighbourhood Services	Governance & Use of Telematics	Significant Assurance	-	0						
	Neighbourhood Services	Parks, Open Spaces Contracting	Moderate Assurance	-	0						
	Neighbourhood Services	Vehicle Utilisation 2021/22	Limited Assurance	-	2		1	1		1	
	<b>Neighbourhood Services Total</b>			<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>		

## Annex B – Tracking of High Priority Recommendations Issued in 2020/21 & 2021/22 to 17May2022

						Audit Assessed			Management Assessed		
Department	Division	Activity	Level of Assurance	DoT	High	Complete	Not Yet Due	Overdue	Complete	Overdue	Trend
Resident Services	Sports, Culture & Parks	Royal Centre & Concert Hall 2019-20 - Follow-up	Limited Assurance	↑	9	4		5	4	1	↑
	<b>Sports, Culture &amp; Parks Total</b>				<b>9</b>	<b>4</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>1</b>	
<b>Resident Services Total</b>					<b>23</b>	<b>10</b>	<b>1</b>	<b>12</b>	<b>4</b>	<b>8</b>	
<b>Total</b>					<b>104</b>	<b>41</b>	<b>14</b>	<b>49</b>	<b>6</b>	<b>43</b>	

## Annex C – Audit Executive Summaries issued since last update

### IR35 Compliance 2020/21

Department: HR / Finance	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: N/A Not previously audited
Previous review: None.	<p><u>Scope and Approach:</u> This review considered the following aspects of the IR35 system:</p> <ul style="list-style-type: none"><li>• Review of guidance and polices in place to ensure fit for purpose and available for all staff.</li><li>• Ensure processes are in place to establish whether individuals are employed or self-employed.</li><li>• Review what assurance is undertaken to ensure legislation is being adhered to.</li></ul>	
<b>High Priority Recommendations</b> <p>R1 The Recruitment Hub should include links to information regarding IR35.</p>		

## Annex C – Audit Executive Summaries issued since last update

### Housing Rents 2021/22

Department: <b>Development and Growth</b> Previous review - Housing Rents 2020/21	Overall Opinion: <b>Limited Assurance</b>	Direction of Travel: <b>Deteriorating</b>
<p><u>Scope and Approach:</u> This review considered the following aspects of the rents system:</p> <ul style="list-style-type: none"><li>• Annual rents approval</li><li>• HRA ring-fence legislation applied when leasing</li><li>• Access controls to Housing System</li><li>• Rent income collected reconciliation</li><li>• Follow Up on previously raised recommendations and relevant actions arising from section 114 notice</li><li>• Performance management of void properties</li><li>• HRA 30 Year Business Plan</li><li>• Low or nil rent properties monitoring and compliance with ring-fence</li><li>• Annual housing stock reconciliation including ring-fence assessment</li></ul>		
<p><b>High Priority Recommendations</b></p> <p>2021/22 R1 The accounting and recording transactions should be corrected to provide for the correct treatment of all these properties, including:</p> <ol style="list-style-type: none"><li>1.Income to HRA in error (to be reversed)</li><li>2.Capital asset transfer to general fund (transfers between general fund and HRA in respect of the asset and associated balance sheet values)</li><li>3.Costs to HRA in error (e.g. cost of debt, repairs, grounds maintenance – to be transferred to general fund)</li><li>4.Correct reconciliation of HRA and other properties to show properties held under general fund within Peoples</li><li>5.Make appropriate provisions for repair and maintenance within general fund</li></ol> <p>R2 Confirmation of resourcing for legal advice about housing and in particular the HRA should be obtained so that in future decisions take proper account of the Council's powers in this regard.</p> <p>R3 Annual controls in accounting for housing stock should ensure that housing stock is used in compliance with the HRA ring-fence.</p> <p>R4 Any innovative arrangements for use of housing stock should be subject to legal advice on compliance with the HRA ring-fence.</p> <p>R5 Arrangements should be made to ensure ongoing revenue and capital costs in respect of these properties are correctly apportioned and allocated to general fund.</p> <p>R6 In order to reflect the principles in the Financial Management Code, the 30 year HRA Business Plan should be renewed.</p> <p>2020/21 R3 Alternative arrangements should be available to maintain reconciliations where a colleague is absent. A process for assurance to be provided to the system owner of status and last date reconciled for key reconciliations should be introduced. This should ensure that reconciliations are carried out in a timely way and that the system is operating effectively and as intended.</p>		

## Annex C – Audit Executive Summaries issued since last update

### Broadmarsh Car Park & Bus Station Handover

Department: Neighbourhood Services  Previous review: N/A	Overall Opinion: <b>Limited Assurance</b>	Direction of Travel: N/A
<p><u>Scope and Approach:</u></p> <p>The aim of this audit was to review the handover process, including governance, the budget position and the risk register process.</p>		
<p><b>High Priority Recommendations:</b></p> <p>R1 A risk register should be drawn up which aligns with Council practice. This should be monitored and updated on a regular basis.</p> <p>R2 A strong governance framework needs to be in place going forward that includes clear decision making hierarchies, good risk management and adequate monitoring to ensure effective operational management of the project and to ensure that any issues can be addressed without delay.</p> <p>R5 The concerns highlighted in our review around the budget, the risk register and overall governance, should be considered with all future capital projects.</p>		

## Annex C – Audit Executive Summaries issued since last update

### Supporting Families 2020/21

Department: People	Overall Opinion:  <b>Significant Assurance</b>	Direction of Travel:  No changes
Previous review: Annual	<p><u>Scope and Approach:</u> This review considered the following aspects of the grant claim:</p> <ul style="list-style-type: none"><li>• the family was eligible for the scheme</li><li>• the PBR criteria had been met and was suitably evidenced / documented</li></ul>	
<b>High Priority Recommendations</b>		None

## Annex C – Audit Executive Summaries issued since last update

### Vehicle Utilisation 2021/22

Direktorate Resident Services Division Neighbourhood Services  Previous review: Governance and use of Telematics – July 2021	Overall Opinion: <b>Limited Assurance</b>	Direction of Travel:  This area has not been previously reviewed
<p><u>Scope and Approach:</u> This review considered the following</p> <ul style="list-style-type: none"><li>• Identification of records of detailing all vehicles owned / utilised by NCC</li><li>• Review Telematics data to identify the nature of existing assurance reporting regarding vehicle utilisation</li><li>• Ascertain what reviews are undertaken by system users, their frequency and action taken.</li><li>• Assess the potential for producing a high level analysis of vehicle usage which might indicate a potential for making savings?</li><li>• Select a sample of vehicles to scrutinise in detail, including fuel records.</li></ul>		
<p><b>High Priority Recommendations</b></p> <p>2021/22 R1 A business case and a costed transformational plan should be produced to support Fleet Management's goal in being able to ensure that the Council is making the best use of its assets.</p> <p>2021/22 R2 The concerns in respective of the regular usage of the van should be investigated.</p>		

## Annex C – Audit Executive Summaries issued since last update

### Governance and use of Telematics 2020/21

Direktorate: Resident Services  Previous review: None	Overall Opinion: <b>Significant Assurance</b>	Direction of Travel:  This area has not been subject to any previous review
<p><u>Scope and Approach:</u> This review considered the following aspects of use of telematics within the Council:</p> <ul style="list-style-type: none"><li>• Policies &amp; procedures governing the use of telematics data</li><li>• Access controls to systems</li><li>• System security</li><li>• Governance arrangements and reporting</li></ul>		
<p><b>High Priority Recommendations</b></p> <p>There are no high priority recommendations resulting from this review.</p>		

### ECINS – Follow-up 2020/21

Direktorate Resident Services and Peoples	Overall Opinion:	Direction of Travel:
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## Annex C – Audit Executive Summaries issued since last update

Division Community Protection and Adult Social Care  Previous review: ECINS – November 2020	<b>Limited Assurance</b>	Some improvements have been made, however key issues still exist.
<p><u>Scope and Approach:</u> A follow-up review has been undertaken of the ECINS application in order to provide management and the OPCC with assurance that an appropriate control framework is in place.</p>		
<p><b>High Priority Recommendations</b></p> <p>2020/21 R1 System ownership and governance structures should be established in order that there is clear accountability for its current and future use.</p> <p>2020/21 R3 In order that all partners are aware of their responsibilities a formally signed and an up to date version of the ISA should be obtained.</p> <p>2020/21 R4 The City Council should nominate a SPOC to ensure compliance with the ISA in order that the terms and conditions of the ISA are complied with.</p> <p>2020/21 R11 Team Admin accounts should be subject to periodic review.</p> <p>2020/21 R14 All user accounts should be reviewed annually to ensure that the user base meets the operational requirements</p> <p>2020/21 R15 The system owner should receive assurance from the Team Admins that the ECINS user reports have been reviewed and action taken where dormant accounts have been identified.</p>		

## Deputyship 2021/22

Directorate: People  Division: Adult Health Social Care, Children and Families  Previous review: Deputyship 2015-16 & 2011-12	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: <b>Improving</b>
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## **Annex C – Audit Executive Summaries issued since last update**

Scope and Approach: This review considered the following aspects:

- Policies and procedures in place within the Service Area to include Training, Recording and Supervision plans and policies specifically
- Compliance with Office of the Public Guardian / Court of Protection regulations
- Decisions and the decision-making process to include escalation procedures
- Pre-payment cards used within the Service Area
- Processes carried out for deceased citizens
- Charges made by the Service Area
- Access Controls for the IT system used by the Service Area
- Assurance reporting within and provided by the Service Area
- A follow-up of recommendations made in the previous Internal Audit report

### **High Priority Recommendations**

None

## Annex C – Audit Executive Summaries issued since last update

### OR05 Redevelopment of Broadmarsh Shopping Centre 21/22

Direktorate: Corporate and Growth & City Development  Previous review: n/a	Overall Opinion: <b>Significant Assurance</b>	Direction of Travel: N/a
<p><u>Scope and Approach:</u></p> <ul style="list-style-type: none"><li>• Review of the mitigating actions of the risk to identify if appropriate</li><li>• Review of some actions to establish if being undertaken</li><li>• Establish mitigating actions that remain outstanding</li><li>• Review of reporting arrangements</li><li>• </li></ul>		
<p><b>High Priority Recommendations</b></p> <p>2021/22 R1 The project manager should have complete information provided through periodical project monitoring arrangements to give assurance on responsibilities assigned and met in respect of site testing.</p> <p>Testing should be recorded in an accessible way for Property and Project colleagues.</p>		
<p><b>Action complete</b></p>		