



# Decision Making Arrangements COVID 19

Internal Audit Position Statement – Final  
September 2021



# Our Mission

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

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## **Report Status**

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As above plus:

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*This audit has been conducted in accordance with the Public Sector Internal Audit Standards.*

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# 1 Executive Summary

## 1.1 Scope and Background of Audit

- 1.1.1 The Head of Internal Audit and Adults & Children's Financial Services has requested an audit review to provide assurance that decisions made regarding the use of additional funding provided in 2020/21 from Central Government, to deal with the challenges presented by the Covid-19 pandemic were appropriate and in-line with SCC's decision - making processes. It should be noted that SCC has received both ring-fenced and non-ring fenced grants from Central Government and are required to report monthly to the Ministry of Housing, Communities and Local Government (MHCLG) regarding total funding spent. In 2020/2021 the total amount of grant funding (both specific and general) spent and reported to MHCLG was £101,066 million.
- 1.1.2 Management have requested that Internal Audit review how decisions were taken regarding the use of grant monies and if decisions were taken in line with the County Council's corporate decision-making processes illustrated in the table below 1.1.2 (a):

**Table 1.1.2 (a) – County Council Corporate Decision-Making Arrangements**

Type of Decision	Decision to be taken by	Value Threshold	Other Criteria
Key Decision	Cabinet	Exceeds £2 million	Affecting 15% or more of service area budget.  Affecting more than two divisions.
Cabinet Member Delegated Decision	Relevant Cabinet Portfolio Holder	Between £500,000 and £1,999 million	Decision is in Cabinet Portfolio  Decision has been delegated from Cabinet.  Political/Reputational Significance
Executive Officer Delegated Decision	SCC Officers as per Scheme of Delegation (SOD)	Between £500,000 and £1,999 million	Affecting less than 15% of service area budget.  Involves Policy Change  Is within a Director's Scheme of Delegation with little reputational/political impact.
Director and Officers Decisions	Directors and SCC Officers as per SOD and Sub Delegation Scheme	Under £500,000	N/A

- 1.1.3 However, during the COVID 19 pandemic, Cabinet delegated a significant amount of decision-making responsibilities to the Senior Leadership Team (SLT Gold) in order to ensure an efficient and timely response. Key delegations were as follows:

- Covid-19 Emergency Funding for Local Government grant (Emergency Funding) - £22.969 million; Cabinet delegated all decisions under £2 million to SLT (15 April 2020). Cabinet also delegated additional powers to the Director of Health and Care to make decisions up to £6.75 million regarding additional staffing measures and up to £5 million to prevent failure in the social care market.
- Covid-19 Emergency Funding for Local Government grant (Additional Funding) - £15.4 million; Cabinet delegated all decisions under £2 million to SLT (20 May 2020), £4.3 million of which was reserved to support measures within Health and Care.
- Additional public health delegations were given to Director of Health and Care (19 August 2020). These additional delegations were non-financial therefore no further work has been completed as part of this review.

1.1.4 For the purposes of this audit, a sample of 40 expenditure items included in the monthly MHCLG survey were selected for testing and the decision making relating to each expenditure item was reviewed. Most items selected related to expenditure within Health and Care as this area was where most expenditure was concentrated.

1.1.5 The total value of the sample was £92,911 million, therefore audit coverage was 91.9% of the overall expenditure reported to MHCLG (£101,066 million). The table below details the number of expenditure items and value of expenditure items selected per Directorate and is split across items funded from the Emergency Funding and specific grants. See below Table 1.1.5 (a)

**Table 1.1.5 (a) Audit Sample per Directorate**

	General – Covid 19 Emergency Funding		Specific Grant		Total in Sample	
Directorate	Value	Total	Value	Total	Total per Directorate	Value per Directorate
Heath and Care	£27.712 m	17	£53,270 m	9	26	£80,982 m
Families and Communities	£3.549 m	5	£3,139 m	2	7	£6.688 m
Economy, Infrastructure and Skills	£4.098 m	4	£440 k	1	5	£4.538 m
Corporate	£703 k	2	0	0	2	£703 k
<b>Total</b>	<b>£36,062 m</b>	<b>28</b>	<b>£56,849 m</b>	<b>12</b>	<b>40</b>	<b>£92.911 m</b>

## 1.1.6 As part of the scope of the audit the following areas were reviewed:

- A clear decision-making process was in place and decisions were taken in accordance with this process.
- Where appropriate, a delegated decision form was completed and published.
- The decision-making process was supported by appropriate paperwork and approval evidenced sufficiently.
- Appropriate financial scrutiny of expenditure was undertaken, and regular updates were provided to management.
- To identify the level of internal audit coverage for the funding received to support the Council's response to Covid, which has been completed as part of the 2020/21 internal audit plan or is planned to be completed as part of the Internal Audit Plan for 2021/2022.

## 1.2 Summary of Audit Findings

Control Objectives Examined	No of Controls Evaluated	No of Adequate Controls	No of Partial Controls	No of Weak Controls
A clear decision-making process was in place and decisions were taken in accordance with this process.	1	1	0	0
Where appropriate, a Delegated Decision Form was completed and published.	1	1	0	0
The decision-making process was supported by appropriate paperwork and approval evidenced sufficiently.	1	0	1	0
Appropriate financial scrutiny of expenditure was undertaken, and regular updates were provided to management.	1	1	0	0
To assess the level of audit coverage of funding received to support the Council's response to Covid, which has been completed or is planned for 2021/2022	1	1	0	0
<b>TOTALS</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>0</b>

## 1.2.1 The following issues were considered to be the key control weaknesses:

Rec Number	Risk Rating	Summary of Weakness	Agreed Action Date
1	Medium Priority	Five instances were identified where decision had not been supported by a comprehensive report detailing the rationale for expenditure and two instances were identified where decision making had not been minuted appropriately.	30/09/2021

This report focuses on the weaknesses in the Organisation's systems of control that were highlighted by this audit and recommends what Audit considers to be appropriate control improvements. This report contains the follow amount of recommendations

High	Medium	Low	Total
0	1	0	0

### 1.3 Summary of Control Assurance Provided

- 1.3.1 Overall, testing and review of key documentation has confirmed that decision making regarding the use of funding was compliant with SCC corporate decision-making processes. Decisions, in general, were well documented and services ensured that SLT and Cabinet were kept updated regarding various COVID 19 activities. The Assistant County Treasurer & Deputy S.151 officer received weekly updates regarding spend of COVID 19 monies and these were reported regularly to the MHCLG.
- 1.3.2 Regarding the adequacy of records and audit trails maintained relating to decisions regarding funding, based upon our testing, Internal Audit can give **substantial assurance** over the systems in place to record decision making. However, testing did identify seven decisions where improvements could be made.
- 1.3.3 In relation to the monitoring and reporting arrangements, our review confirmed that there was sufficient scrutiny of COVID 19 grant expenditure during 2020/21 via SLT, Cabinet and MHCLG reporting.
- 1.3.2 A summary of Internal Audit's findings for each item of expenditure tested can be found at **Appendix 1** to this report.

## 2 Findings & Recommendations

### 2.1 Compliance with Decision Making Processes

2.1.1 Decisions should be taken in line with the processes outlined in 1.1.2 (a). Cabinet is, however, able to delegate decisions to other decision-making bodies or individual members or officers. A review of Cabinet minutes for the financial year 2020/2021 confirmed that the following delegations were made regarding funding received from Central Government:

- £22.296 million Emergency Funding (15 April 2020) - Decisions for use of this funding under £2 million was delegated by Cabinet to the Council's Incident Management Team (IMT) or Senior Leader Team (SLT) Gold Command. A review of Cabinet minutes confirmed that during the same meeting (15 April 2020), Cabinet also delegated the use of a proportion of the £22.296 million (£11.75 million) Emergency Funding to the Director of Health and Care (in conjunction with the Cabinet Member for Health and Care) to be used to deploy additional staff (£6.75 million) and provide incentives to support the care market (£5 million).
- £15.4 million Additional Funding (20 May 2020) - Cabinet delegated a further £15.4 million to SLT for decisions under £2 million, £4.3 million of which was reserved to support measures within Health and Care.

2.1.2 Both additional delegations specified that decisions above £2 million remained reserved for Cabinet. A review of documentation has confirmed that SLT Gold met weekly throughout 2020/21 during which reports in relation to the allocation of grant funding were discussed regularly.

2.1.3 Central Government also provided SCC with various ring-fenced grants to address specific needs such as Test and Trace or Infection Control. Discussions with the Democracy Manager confirmed that ring fenced grant funding regardless of value would usually fall within a Director's delegated budgetary powers therefore these decisions would not be classed as key decisions and would not need to be presented to Cabinet for a decision, however Cabinet may be informed of plans for expenditure and their use.

2.1.4 A sample of 40 expenditure items from the monthly reporting to MHCLG for financial year 2020/2021 was selected for further detailed review. This sample included 28 items funded from the Emergency or Additional Funding and 12 items funded from specific ring-fenced grants. The purpose of our testing was to confirm compliance with the Council's corporate decision-making arrangements put in place during the COVID 19 pandemic.

#### **Compliant Decisions**

2.1.5 Review of Cabinet minutes, SLT meetings and discussions with staff confirmed that all 40 decisions were compliant with agreed decision-making processes it was also confirmed by the Business Operations Manager that from April 2021 all decisions will be recorded centrally as part of the SLT action tracker:

- 12 instances related to ring-fenced grants awarded by Central Government for specific activities such as Test and Trace or Infection Control. As stated earlier in the report, funding with specific grant conditions attached to their use does not usually have to be reported to Cabinet (regardless of value) and falls under a Director's general budget delegations. In 11 instances a report had been presented to SLT, detailing how funding would be spent. Internal Audit consider this process reasonable. Some reports had also been presented to Cabinet or Informal Cabinet (Home to School Transport) but



the reason for this was for a political steer rather than approval of expenditure. In the remaining instance, (Workforce Capacity Grant £1.770 million), it was confirmed with the Lead Commissioner for Older People and Physical and Sensory Disability that this grant had to be spent quickly and had very restrictive grant conditions. Whilst a plan of how monies would be spent in relation to this grant had been completed, Internal Audit were unable to evidence that this had been presented to SLT. This was due to the Department of Health and Social Care requiring the Director of Health and Care to agree and submit a plan for the grant prior to the funding being awarded.

- 16 instances were identified where expenditure was under £2 million and was funded using Emergency or Additional Funding, therefore decision making had been delegated to SLT. All expenditure related to specific projects/initiatives intended to support the Council's Covid-19 response. In all cases, the decision to spend had been presented and approved by SLT.
- 4 instances were identified where expenditure was over £2 million and was funded using Emergency or Additional Funding. Decisions over £2 million should be referred to Cabinet as key decisions. These decisions were as follows:
  - One instance, £6 million related to monies allocated to support the social care market. It was confirmed by the Strategic Business Partner that following the second lockdown in November 2020, the decision had been taken by the County Treasurer and S.151 Officer to allocate a contingency fund in case of market failure within the social care sector. Whilst a specific report had not been prepared for SLT a review of Cabinet minutes identify that this decision was included as part of the Quarter 4 Integrated Performance Report and was approved by Cabinet on the 21<sup>st</sup> April 2021.
  - Personal Protective Equipment (PPE), the total value of decision was £2.455 million and was approved by Cabinet 27 April 2020.
  - Care Fee Uplift for social care providers, the total value of the decision was £2.639 million and was approved by Cabinet as an urgent item 15 April 2020.
  - Payments to cover increased agency costs for social care providers. The total value of the decision was £5.372 million. Whilst this decision was not presented to Cabinet it is covered by the additional delegations by Cabinet (15 April 2020) giving the Director of Health and Social Care up to £6.75 million to support staffing.

All 4 decisions were made in accordance with the Council's corporate decision-making arrangements.

- 3 instances related to a loss of MTFS savings, details of loss of savings and the MTFS reset report had been presented to both SLT (18 May 2020) and Cabinet (20 May 2020). Planned Internal Audit work completed as part of the MTFS Delivery Plan audit in 2020/2021 confirmed that formal reporting has been provided to Senior Management and Cabinet which includes quantified information on the Covid 19 impact on the MTFS, with a breakdown per Directorate within Integrated Performance Reports.
- 4 instances related to lost income or additional costs incurred due to the pandemic. Discussion with the Strategic Business Partners confirmed that the rational for expenditure was based on the variance between 2019/2020 and 2020/2021 budget monitoring. All items of expenditure were under £2 million, however, the decision to use Emergency/Additional funding to cover these had not been presented to SLT for approval but had been taken by the County Treasurer. It was confirmed that use of expenditure was in-line with the conditions of the grant which allows funding to be used to meet pressures across other services, because of reduced income, rising costs or increased demand. It should also be noted that an update on the expenditure return to MHCLG identifying total lost income, additional committed costs and unrealised MTFS

savings was presented to SLT 20 April 2020. This is considered a reasonable and transparent approach to decision making.

- One instance related to funds allocated to support the Stafford Western Access Route (SWAR). The total value allocated was £2.360 million and this money had been used to cover the losses incurred due to delays on the project which were directly related to Covid-19 for example changes to working practices, site shut down and staff having to isolate. Due to the value of this decision it should have been presented to Cabinet, however, it was confirmed by the Strategic Business Partner for Economy, Infrastructure and Skills that final costs had not been known at the beginning of 2020/2021 however, progress of the SWAR is separately reported to Cabinet as part of the quarterly Integrated Performance Report. The final cost was reported and approved by Cabinet (16<sup>th</sup> June 2021) as part of the Final Financial Outturn Report. This is considered reasonable and the approach is transparent.

## 2.2 Delegated Decision Forms and Publication

- 2.2.1 For a decision to be made via delegated powers (see above Table 1.1.2 a), a Delegated Decision Form must be completed. All Executive Officer Delegated Decisions will be automatically published. As part of the Cabinet Member Delegated Decision process, the SLT Lead and Leader of the Opposition will be consulted and all Cabinet Member decisions are subject to the call-in process to be reviewed by Cabinet if required.

Testing was completed to confirm that where appropriate, Delegated Decisions Forms had been completed and published. From the sample of 40 expenditure items selected from the MHCLG survey, the following was found:

### **Appropriate use of Delegated Decision Forms**

#### **Decisions under £500,000**

- 11 instances were identified where the value of the decision was under £500,000, in all instances use of published delegated decision forms were appropriate. In one instance it was confirmed through discussion with the Democracy Manager that a Delegated Decision Form was not required because this related to a specific use of grant funding ring fenced for Home to School Transport. For the remaining 10 instances the following was noted:
  - In 4 instances, the decision had been documented in individual Delegated Decision Forms completed by Members or an appropriate officer. Decisions related to business start-up loans, incentive payments to early years providers, I-Care expenses and supplementary food items. These delegations had been published on the SCC website.
  - In 6 instances decisions were covered by the Delegated Decision Form detailing general delegations awarded to IMT/SLT Gold and the Director of Health and Care by Cabinet 15 April 2020 (see above Ref 2.1.1 and Ref 2.1.2). These delegations had been published on the SCC website.

#### **Decisions between £500,000 and £1,999,999**

- 15 instances were identified where the value of the decision was between £500,000 and £1,999,999. Again, in all instances use of published delegated decision forms were appropriate. In 3 of the 15 instances a Delegated Decision Form was not completed as these related to a specific use of ring-fenced grant funding and therefore were included in a Director's general delegations. In the remaining 12 instances the following was noted:

- 11 instances were covered by the Delegated Decision Form detailing general delegations awarded to IMT/SLT Gold and the Director of Health and Care by Cabinet 15 April 2020. This form was published on the SCC website.
- One instance where an Executive Officer Delegated Decision Form had been completed by the Chief Executive in relation to temporary mortuary facilities (total value £1,062 million). This had been published on the SCC website.

### **Decisions above £2 million**

- 14 instances were identified where the value of the decision was £2 million or over. Due to the value, these decisions are usually considered key decisions, however, in 7 of the 14 instances identified the decision related to ring-fenced grant funding, therefore it would not need to be presented to Cabinet as the decision regarding how to use the funding is already determined by the associated grant conditions and therefore included in a Director's general delegations. In the remaining 7 instances the following was noted:
  - Two instances, the decisions had been taken by Cabinet and a Delegated Decision Form published on the SCC website for each decision. The first related to Carers Fee Uplift (total value £2.639 million) The second related to the procurement of PPE (total value £2.455 million).
  - One instance related to the approval for use of the Winter Grant Scheme (total value £2.316 million). Review of Cabinet minutes confirmed that approval for use of the grant had been delegated by Cabinet (18 November 2020) to the Cabinet Member for Children and Young People. A Cabinet Member Delegated Decision Form had been completed and published.
  - One instance related to expenditure to support the social care market with increased agency costs due to higher levels of sickness, the total value of this was £5.372 million. It was noted that on 15 April 2020, Cabinet allocated a proportion of the additional Emergency Funding, awarded up to a maximum of £6.75 million, to the budget of the Director of Health and Care in order to deploy new employees and volunteers, therefore this decision was covered by the Delegated Decision Form detailing general delegations awarded to IMT/SLT Gold and the Director of Health and Care by Cabinet 15 April 2020.
  - One instance related to MTFs savings (total value 4.133 million) funded through Emergency or Additional Funding. Whilst there is no specific Delegated Decision Form, this information is reported to Cabinet and agreed regularly as part of the quarterly Integrated Performance Report.
  - One instance where the expenditure, relating to SWAR project costs, was funded from Emergency/Additional Funding. This decision regarding the final cost was approved by Cabinet 16<sup>th</sup> June 2021 as part of the Final Financial Outturn report 2020/2021 and subsequently a Delegated Decision Form was not required.
  - The final instance related to funding to support the care market. A contingency fund had been set aside by the County Treasurer (and S.151 Officer) in case of market failure. The total value of this expenditure included in the MCHLG return was £6 million, this additional funding was approved by Cabinet as part of the Quarter 4 Integrated Performance Report and was approved by Cabinet on the 21st April 2021, therefore a Delegated Decision Form was not required.

## 2.3 Supporting Documentation/Paperwork

2.3.1 In addition to the checks completed to confirm that appropriate decision-making processes had been followed and transparency maintained, Internal Audit also reviewed the level of paperwork in place to support the decisions made. From the sample of 40 expenditure items selected, 33 were supported by a report detailing the rationale for decision making and the decision taken had been clearly documented as part of the SLT minutes. It was noted that where required, all figures included in reports either matched the survey returns provided to MHCLG or the final values of expenditure included in the MHCLG survey were within the amounts approved at SLT/Cabinet.

2.3.2 In the remaining seven instances where no report had been completed the following was noted:

- One instance with a total value £6 million related to a contingency fund allocated from Emergency Funding in case of market failure. Whilst this decision was approved by Cabinet on 21<sup>st</sup> April 2021 and included in minutes. Review of SLT minutes could not evidence that this decision had been discussed or that a business case or rationale supporting the amount allocated had been prepared or presented to SLT.
- There were four instances where no reports had been presented to SLT as these related to increased costs or loss of income which had been funded from Emergency Funding. Discussions with the Strategic Business Partners confirmed that the rationale for decision making had been based on variances to pre Covid financial monitoring. The decision to use Emergency Funding was taken by the County Treasurer and S151 Officer, following consultation with the Deputy S151 Officer and the Strategic Finance Business Partners.
- One instance related to the Workforce Capacity Grant (total value £1.770 million). A Workforce Capacity Plan detailing use of expenditure had been prepared but there was no evidence of this being included in the relevant SLT agenda packs.
- The final instance related to the Contain Outbreak Management Fund (total grant awarded £22.113 million). This funding had initially been £7 million, however, the government had added an additional £4 million for every 28 days the County had been under restrictions. The final amount had been based on £8 per head of population. Informal Cabinet agreed to the provisional allocation of the fund on the 28 October 2020. A review of the agenda packs confirmed that an update with regard the final funding was presented to SLT on 30 November 2020 and Pre-Cabinet on 2 December 2021. However, the details of the discussion at the Pre-Cabinet meeting had not been detailed in the minutes, therefore it cannot be evidenced that the report was presented at this Pre-Cabinet meeting.

Failure to fully document the rationale for decisions weakens the audit trail and means that should a query be raised in the future about the decision made, the Council may find it more difficult to justify the decision to stakeholders such as MHCLG as the event has not been recorded in detail.

Recommendation 1		Summary Response	
<b>Risk Rating:</b>	Medium Priority	<b>Responsible Officer:</b>	Simon Ablewhite Assistant County Treasurer
<b>Summary of Weakness:</b>  Five instances were identified where decision had not been supported by a comprehensive report detailing the rationale for expenditure and a further two instances were identified where decision making had not been minuted appropriately.		<b>Agreed Actions:</b>  Given that the total covid grant expenditure has been consistently reported to and approved by Cabinet, via the quarterly Integrated performance monitoring report, it is not deemed necessary to get retrospective agreement of SLT, who see the monitoring reports prior to cabinet approval in any case.  Agreed that moving forward we will ensure items are supported by a report to SLT Gold and documented appropriately.	
<b>Suggested Action:</b>  Consideration should be given to documenting the rationale for the seven exceptions noted during the audit retrospectively and presenting this to SLT. Going forward, decision making should be documented appropriately and reports include sufficient detail relating to reasons for the expenditure.		<b>Implementation Date:</b>  30/09/2021	

## 2.4 Evidence of Financial Scrutiny

- 2.4.1 A review of the minutes for both Cabinet and SLT as well as discussions with key staff e.g. the Assistant County Treasurer (and Deputy S51 Officer) and the Strategic Finance Business Partners have confirmed that there is ongoing financial scrutiny of decision making.
- 2.4.2 The Integrated Performance Report is reported quarterly to both SLT and Cabinet. A review of these reports for the financial year 2020/2021 has identified that a high-level review of revenue expenditure and narrative documenting the impact of Covid is included as part of these reports.
- 2.4.3 The use of grant expenditure funded by both specific and Emergency/Additional Funding are reported monthly to the MHCLG, this is referred to as the MHCLG monthly survey. Details of the content to be included in the MHCLG survey is monitored by the Assistant County Treasurer (and Deputy s151 officer), through weekly discussions with the Strategic Business Partners. It has also been evidenced through review of SLT minutes that SLT have been updated regarding the items of expenditure included as part of the MHCLG survey.
- 2.4.4 Scrutiny of SLT minutes have confirmed that there are standing agenda items which are reviewed on a regular basis. SLT receives updates on various items relating to Covid-19 for example Local Outbreak Control, Health Protection Board, staffing issues and key grants e.g., Clinically Extremely Vulnerable as well as an update from each Directorate. Internal Audit has also evidenced that where there is a significant increase in funding required, separate reports have been prepared and presented to both SLT and Cabinet.
- 2.4.5 It has been confirmed by the Strategic Business Partners that detailed updates of expenditure and uses of funding are also provide to the individual Directorate SLTs and that within Directorates there are also separate monitoring groups. For example, the

activities funded through large grants e.g. Test and Trace and Infection Control are monitored through the Health Protection Board and the Local Outbreak Control plan, and regularly updated to SLT. The progress of the Local Outbreak Control Plan is also regularly reported to Cabinet.

- 2.4.6 It was also confirmed with the Strategic Business Partner (EIS) that there is an Economic Recovery and Renewal cell chaired by the Director of Economy Infrastructure and Skills as well as a Member led Steering group which has oversight of grant funded projects.
- 2.4.7 The above arrangements in place provide adequate evidence that COVID 19 grant funding has been monitored and scrutinised at various levels across the Council during 2020/2021.

## 2.5 Internal Audit Coverage

- 2.5.1 As part of this exercise, a review has been completed regarding the level of internal audit coverage completed in 2020/2021 or planned to be completed during 2021/2022 as part of the current Internal Audit Plan. Audit work completed or planned includes grant assurance work, specific systems audits, proactive fraud exercises, compliance audits, continuous controls monitoring and advisory pieces of work. Audit coverage across the sample of 40 expenditure items selected is detailed in the table below:

**Table 2.5.1 (a) Internal Audit Coverage of Sample**

	Specific Work completed in 2020/21 to be followed up in 2021/22		Specific Work completed in 2020/21		Specific Work to be planned in 2021/22		No audit work planned**		Total	
	No	£000	No	£000	No	£000	No	£000	No	£000
Health and Care	2	12.905	10	18.408	7	32.875	7	16.794	26	80.982
Economy, Infrastructure and Skills	1	0.440	-	-	1	0.360	3	3.738	5	4.538
Corporate Services	-	-	3	1.765	-	-	-	-	3	1.765
Families and Communities	1	0.800	4	4.465	1	0.361	-	-	6	5.626
<b>Total</b>	<b>4</b>	<b>14.145</b>	<b>17</b>	<b>24.638</b>	<b>9</b>	<b>33.596</b>	<b>10</b>	<b>20.532</b>	<b>40</b>	<b>92.911</b>

*\*\*It should be noted that where no specific piece of audit work had been completed or is planned, all expenditure items had been covered by the high level Corporate Review piece of work completed in quarter 3 2020/21 which had been requested by the County Treasurer. This work has looked at the validity of all expenditure included in MHCLG return in line with grant conditions. In addition, assurance can be taken from Internal Audit's cyclical programme of financial system audit reviews that were undertaken in 2020/21 as grant expenditure was processed and accounting for using the Council's standard financial systems.*

- 2.5.2 As detailed in the table above 78% (£72.379 million) of the sample of 40 expenditure areas sampled have been subject to specific Internal Audit review in 2020/21 or are planned to be reviewed in 2021/22.



**Disclaimer**

The matters raised in this report are only those that came to the attention of the auditor during the course of the internal audit review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. SCC neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

