

Review of Agency Staff, Contracting & Consulting 2014/15

Issued 24 June 2015

Opinion: Control Framework – Good (Previous review – N/A)
Compliance with Framework – Satisfactory (Previous review – N/A)

The purpose of this audit was to provide an assurance regarding the arrangements in place for the employment of temporary agency staff and consultants and specifically in regard to the recognised advantages that can accrue from using them, their suitability and fitness of purpose in delivering value-for-money for the Council.

During financial year 2013-14 overall Council expenditure on agency staff amounted to £457,476 and for consultancy staff totalled £102,811.

As at February 2015, the corresponding figures for the 2014/15 financial year are £454,567 for agency staff and £135,143 for consultants.

For the purposes of the audit, a judgemental sample of seven sections and services biased towards the materiality of spend and span of services across the Council on agency and consultancy was extracted. These sections and services were:-

- Planning & Development Services
- Facilities Management & Property Services
- Direct Services
- Benefits
- Revenues
- Building Control
- Housing Standards & Advice

The following key risks and controls were then examined:

- 1) Risk that there is non-compliance with the Council's Contract Procedure Rules (CPRs)
- 2) Risk that opportunities to achieve and to evidence demonstrable efficiencies and value-for-money may not be maximised

Audit testing results indicated that controls were substantially met in regard to both risks above.

The opinion of the auditor is that the framework in place is overall "good" and compliance with it is "satisfactory".

One recommendation was agreed with management to address the areas where controls would benefit from further enhancement. This related to risk one and two above and was:-

- That a formal tender exercise be undertaken, for anticipated agency staff spend over £75K in 2015/16, for the Benefits Service, in accordance with

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CPR Rule 7.4. Alternatively, that an appropriate and properly authorised tender waiver is put in place as required by CPR13.1.

Members will be advised of the progress in implementing these recommendations in due course.

Review of Community Grants 2015/16

Issued 24 June 2015

Opinion: Control Framework – Good (Previous review – N/A)
Compliance with Framework – Good (Previous review – N/A)

The purpose of this audit was to provide an assurance regarding the effectiveness of the arrangements in place for the administration of the community grants scheme and its ability to deliver service objectives and the Council's responsibilities in line with requirements. The work of the voluntary sector and charities in contributing to community plan priorities across the District is highly-valued by the Council. The community grants scheme supports the dedication and commitment of the many volunteers who via the scheme are offered the opportunity to serve their community and who are often involved in identifying and helping the most vulnerable and distressed people in the District.

Investing in volunteering therefore, and particularly investing in volunteer-trainers, has been a designated priority for funding allocations from the community grants scheme in 2015/16. This is because of the economies of scale and financial efficiencies that investing in trainers and training can offer the Council by generating, and then replicating via training, the maximum numbers of volunteers that can be deployed on the ground in front-line terms in District communities to support wider council and grant objectives.

In 2013/14 voluntary organisations in the District supported some 294,122 volunteer hours representing a return on investment to the Council of some £3.67M. [Source: Economic & Community Development Advisory Committee Report 05.03.15].

To this effect, the following key risks and controls were examined:

- 1) Risk that the Council, in regards community grants may not comply with relevant legislation, policies, procedures or good practice
- 2) Risk that there may not be up-to-date written procedures in place for the receipt and assessment of grant applications and the authorisation and payment of grants
- 3) Risk that literature and guidance may not be clear (Plain English) or accessible or adequately publicised to the public in relation to opportunities and availability
- 4) Risk that grant recipients may not be selected in line with grant regulations and Council protocols
- 5) Risk that grant monies may not be spent as intended or as specified by the conditions of the grant

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- 6) Risk that robust and effective financial and budget management may not be in place
- 7) Risk that robust processes to deal with appeals on application decisions may not be in place
- 8) Risk that customer expectations and feedback may not be recorded
- 9) Risk that fraud and corruption may be undetected
- 10) Risk that opportunities to achieve or demonstrate efficiency or value for money may not be maximised (the appraisal checks disproportionate to amount of grant)
- 11) Risk assessments may not be undertaken and risks not properly managed
- 12) Risk that public feedback may not be sought to enable improvements in service delivery

Audit testing results indicated that controls were fully met regarding 10 of the above 12 areas covered, partially met on one and not met in one.

The opinion of the auditor is that the framework in place is “good” and compliance with it overall is also “good”.

Five recommendations were agreed with management to address the areas where controls would benefit from further enhancement. These relate to risks 1, 2, 5 and 8.

These recommendations set out below:

- Consideration should be given to producing a brief summary report to showcase grant “stories”, including the achievements and challenges which the funding has addressed.
- The Council Code of Practice for Grant Funding should be reviewed and refreshed, to cover contemporary and emergent issues in grant funding such as equalities and safeguarding.
- A prominent instruction should be added to the grant monitoring form, to indicate the deadline date for return of the completed form and that all questions on the monitoring form should be answered. In addition, a section “For Official Use Only” should be added to the form, to enable and evidence review and scrutiny of the monitoring form.
- A risk-based programme of visits/spot checks (to cover at least 20% of organisations receiving funding) should be undertaken, for grant organisations seen as a higher risk of funding breaches organisational failure, eg organisations working closely with children and vulnerable adults, or new organisations. However in equal and opposite terms, organisations performing well and managing their risks effectively could likewise also be identified for the purposes of sharing good practice.

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- Appropriate arrangements which are consistent from a corporate perspective are put in place to regularly monitor and measure organization/customer feedback for community grants.

Members will be advised of the progress in implementing these recommendations in due course.