

# Sheffield City Region Mayoral Combined Authority

Internal Audit 2021/22

AMP Technology Centre Follow-up

August 2021

Emily Mayne  
Head of Internal Audit  
T 0121 232 5309  
E [emily.j.mayne@uk.gt.com](mailto:emily.j.mayne@uk.gt.com)

Lisa MacKenzie  
Internal Audit Manager  
T 0121 232 5157  
E [lisa.p.mackenzie@uk.gt.com](mailto:lisa.p.mackenzie@uk.gt.com)

Rita Bhadhal  
Internal Auditor  
T 0121 232 8792  
E [rita.bhadhal@uk.gt.com](mailto:rita.bhadhal@uk.gt.com)



# Contents



This report is confidential and is intended for use by the management and directors of Sheffield City Region Mayoral Combined Authority (MCA). It forms part of our continuing dialogue with you. It should not be made available, in whole or in part, to any third party without our prior written consent. We do not accept responsibility for any reliance that third parties may place upon this report. Any third party relying on this report does so entirely at its own risk. We accept no liability to any third party for any loss or damage suffered or costs incurred, arising out of or in connection with the use of this report, however such loss or damage is caused.

It is the responsibility solely of Sheffield City Region Mayoral Combined Authority (MCA) management and directors to ensure there are adequate arrangements in place in relation to risk management, governance, control and value for money.



Section	Page
Executive summary	03
Headline messages	05
Detailed findings & action plan	06
<b>Appendices</b>	17
Appendix 1: Staff involved and documents reviewed	18
Appendix 2: Our assurance levels	19

## Report Distribution

### Executive Lead:

- Gareth Sutton, Group Finance Director

### For action:

- Karen Farnan, Interim Asset Manager
- Simon Tompkins, Finance Manager
- Charli Taylor, Senior Programme and Performance Unit Manager
- Jill Smith, Head of Procurement
- Steve Davenport, Monitoring Officer
- Lynne Sutton, Health & Safety Advisor

### For Information:

- Dave Smith, Chief Executive
- Ruth Adams, Deputy Chief Executive
- Sue Sykes, Assistant Director, Programme and Performance Unit
- Colin Blackburn, Assistant Director of Infrastructure and Housing
- Mike Thomas, Deputy Section 73 Officer
- Claire James, Senior Governance and Compliance Officer
- Audit and Standards Committee

# Executive summary



## Background

The Advanced Manufacturing Park Technology Centre (AMPTC) is located within the Advanced Manufacturing Park (AMP), Rotherham and provides a combination of office space, workshop facilities and conferencing & meeting room resources. There are 3 buildings within the Centre, buildings 1 & 2 are serviced office spaces and workshops which are rented to the occupiers. Building 3 has office spaces and workshops but are leased to the clients.

The main source of income is rent (Licenses) and additional services are catered for upon request. These are internet, rack space, phone line, call charges, event space, franking, cleaning and catering. Currently these services are charged by BACS on a monthly basis to clients, however, ad hoc space requirements are also available where clients pay-as-they-go. An on-site café also generates additional income for the Centre through its operations and conference catering.

A third-party managing agent, Creative Space Management (CSM), has been contracted to operate the site on behalf on the MCA for over a decade. The current contract commenced in 2018 and is to last 5 years (with an additional 2 years extension possible). Their key role is to obtain maximal occupancy and have facilitated long-term client leases for the centre. The MCA Executive manages the AMPTC with various strands led by different departments. Commissioning leads strategic activity, The Programme and Performance Unit leads contractual performance, Finance leads financial overview and tenancy agreements are led by legal.

As a key priority for the MCA, it is essential then that there is appropriate management and oversight of internal and financial controls within the Centre, and that reporting to the MCA is up to date and accurate. Assurance over these controls is especially important during the current global Covid-19 pandemic where the risk increases around potential financial fraud.

An Internal Audit Review was carried out during the financial year 2020/21. The objective of the review was to provide an independent and objective assessment of the design and effectiveness of the MCA controls in place. Our review identified a number of weaknesses in control and provided a “partial assurance with improvement required” rating.

---

# Executive summary

---



## Objectives

The purpose of this follow up audit is to ascertain the progress made by MCA Management in implementing the recommendations arising from the January 2021 Internal Audit report, presented to the Audit and Standards Committee in June 2021.

We will conclude whether actions have been fully implemented or remain in progress and how the Authority has performed against the timescales agreed.



## Limitations in scope

Please note that our conclusion is limited by scope. It is limited to the risks outlined above. Other risks exist in this process which our review and therefore our conclusion has not considered. Where sample testing has been undertaken, our findings and conclusions are limited to the items selected for testing. In addition, our assurance on the completeness of the declarations recorded in the register of interest is limited to the findings from our sample testing.

This report does not constitute an assurance engagement as set out under ISAE 3000.



## Acknowledgement

We would like to take this opportunity to thank your staff for their co-operation during this internal audit.

# Headline messages



## Overall conclusion

Good progress is being made in addressing the weaknesses identified as part of the original Internal Audit review. Action taken to date has reduced the risk now present. We acknowledge that some work is still in progress and agreed implementation dates have not been reached for some actions, however progress is also being made to implement those actions in advance of the due dates. Further developments in these areas will provide additional controls within the Centre.

## Follow-up Findings

Our 2020/21 review identified several areas for improvement and as such eight recommendations were raised including one high risk rated recommendation. The Audit Committee requested that we undertake detailed follow-up work to assess progress with the implementation of the agreed actions. This report details our findings when ascertaining the current status of the eight recommendations, reporting against each action.

We can confirm that significant progress has been made in addressing the high risk issue raised; the MCA has put in place a more robust process to manage procurement and expenditure which is further supported by the implementation of a new Purchase Order Control module of the finance system at CSM. This new control regime now needs to be embedded so we have concluded that the recommendation is partially implemented but the risk the MCA is currently exposed to warrants this recommendation being reduced to medium risk.

We have confirmed that 2 low risk actions have been fully implemented and good progress is being made in implementing 2 medium and 2 further low risk recommendations.

Where we have reported the low risk action outstanding in respect of formalising debt recovery processes, we have acknowledged that the Authority has taken the **decision not to** introduce this until the economic difficulties surrounding the pandemic have eased. We have therefore revised the implementation date on this basis.

Progress	High	Medium	Low	Total
Recommendations From original report	1	2	5	8
Fully Implemented	-	-	2	2
Ongoing / partially implemented	1	2	2	5
Outstanding / no progress made	-	-	1	1
<b>Ongoing / Outstanding total</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>6</b>
<b>Revised risk ratings</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>6</b>

# Detailed findings & action plan

In this section we set out the original recommendation and risk rating, the Authority’s agreed actions and the findings from our follow-up review. We have raised new recommendations and revised implementation dates where appropriate.

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 1</b></p> <p>Management noted planning around a Combined Authority asset management framework had been postponed during 2020. An action plan for its completion should be agreed through a workshop with key stakeholders and documented for Management Board review and scrutiny.</p> <p>The asset management framework should allow for Theme Board scrutiny of the AMP Technology Centre business planning and performance through annual reporting and consider noting of arrangements by the Management Board and / or Combined Authority in line with good governance practices.</p> <p>Continued overleaf...</p>	Medium	<p><b>Actions:</b></p> <p>1. AMPTC Business Plan to go to Management Board annually for approval.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager</p> <p>2. Risk register to align to recently approved corporate strategy.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager</p> <p><b>Responsible Officer:</b> Colin Blackburn, Assistant Director of Infrastructure and Housing</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 31/12/2021</p> <p>Continued overleaf...</p>	<p><b>Action 1</b></p> <p>The AMPTC Business Plan for 2021/22 is now in place. We confirmed by review of correspondence that the Business Plan was approved in March 2021, however note this was implicit approval outside of the Management Board meeting due to the lack of time within the meeting.</p> <p><b>Action 2</b></p> <p>We obtained the current Risk Log and confirmed that it was agreed by CSM management at a meeting on 9<sup>th</sup> July 2021. We confirmed with the MCA Finance Manager that AMPTC’s operations align to the corporate plan aim of “<i>Creating not just a bigger economy but a better one: higher-tech, higher skill, and higher-value- backing wealth and job creators</i>”. The risk log supports the AMPTC in being able to continue to support the development of business in the fields of advanced manufacturing, high technology and digital technology.</p> <p>We confirmed that “<i>risks / issues</i>” are a standard item on the monthly performance monitoring meeting agenda by review of the agendas for July 2021, June 2021, and May 2021 meetings. We reviewed documentation which demonstrated that CSM attended the July 2021 meeting and provided input to the risk log.</p> <p>Continued overleaf...</p>	<p><b>Partially Implemented</b></p> <p>The Asset register to be developed comprising a two stage process: an interim Asset Register for the AMP by the end of October and an amended version if necessary by 28 February 2022 to support our wider asset management strategy aspirations.</p> <p><b>Responsible Officer:</b> Karen Farnan, Interim Asset Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Implementation dates:</b></p> <p>1: End October 2021 2: End February 2022</p>	Medium

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 1 continued</b></p> <p>It should also be supported by policy and a strategy where the impact of asset performance, such as AMP Technology Centre, can be monitored through KPIs that align to that strategy.</p> <p>Operational risks raised from the AMP Technology Centre and associated risk registers should align and be embedded into the wider MCA risk management and asset management framework.</p> <p>Similarly, the asset register for the AMP Technology Centre should be completed and policy documented around backlog maintenance planning.</p>	Medium	<p>3. Asset register to be commissioned and aligned to the planned preventative maintenance. Once in place it is to be reviewed annually in accordance with the Business Plan.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager</p> <p><b>Responsible Officer:</b> Colin Blackburn, Assistant Director of Infrastructure and Housing</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 31/12/2021</p>	<p><b>Action 3</b></p> <p>The Authority is in the process of appointing someone to enable this action to be addressed. The asset register will be developed taking into account the Preventative Planned Maintenance strategy and the MCA's Asset Management Framework. The asset register is scheduled to be in place by the time of the next Audit and Standards Committee on 21st October 2021.</p>	As above	Medium

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 2</b></p> <p>Monthly performance review meetings should follow a set agenda that includes a review of KPIs and actions/ outcomes tracked within an action log for monitoring purposes.</p> <p>The Business Plan should be updated to ensure that reporting of the two Specific Performance Measures is documented as annual in line with current reporting practices.</p> <p>A review of the agreed enhancements and mitigations brought by the COVID-19 pandemic be brought into future performance monitoring.</p>	Low	<p><b>Actions:</b></p> <p>1. Business Plan to be updated as part of the 2020/21 review process.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager</p> <p>2. Embed Covid-19 reviews into standard MCA H&amp;S management.</p> <p><b>Responsible Officers:</b> Lynne Sutton, Health &amp; Safety Advisor / Jayne Hampshire, Business Operations Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 31/12/2021</p>	<p><b>Action 1</b></p> <p>We confirmed that an updated Business Plan for 2021/22 is now in place. The Business Plan is reviewed annually and includes details of monthly monitoring meetings between the MCA and CSM, used to review activity and performance.</p> <p>There is a requirement in the Business Plan for the monthly monitoring meetings to be supported by formal documentation such as an agenda, meeting notes and an actions log. We confirmed this documentation is in place by review of the agenda, meeting notes, review notes and action log for the May 2021 and June 2021 meetings. The documentation reviewed included key details such as meeting attendees, a clear record of discussions, action owner, target dates and action status. We noted that there are two action logs; one covers operational matters, the other captures actions relating to the Business Plan.</p> <p><b>Action 2</b></p> <p>The Health &amp; Safety Advisor receives monthly Covid-19 risk assessment returns from the AMPTC Manager. We reviewed the returns for May 2021, June 2021 and July 2021 and confirmed that they were detailed, covered the different physical locations of the AMPTC and staff and users of the facility. All were signed by the AMPTC Manager.</p> <p>We also note that the requirement for this assessment is included in the 2021/22 Business Plan.</p>	<b>Implemented</b>	N/A

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 3</b></p> <p>The procedure for completing month end reconciliations processes by CSM and MCA should be documented with clarity around segregation of duties at the AMP Technology Centre, to ensure it is in line with the Authority's Constitution.</p> <p>The following monitoring enhancements should also be made to ensure that the opening and closing balances of the Project Bank account limit should be reviewed monthly by the MCA to ensure that credit limits remain below the £500,000.</p>	Low	<p><b>Actions:</b></p> <p>The review of Project bank account reconciliations by the MCA Finance will be evidenced with immediate effect. MCA will also with immediate effect assume responsibility for monitoring the cash held on behalf of the MCA and taking proactive action to ensure tat it does not exceed the pre-determined threshold.</p> <p><b>Responsible Officer:</b> Simon Tompkins, Finance Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> Immediate effect</p>	<p>We reviewed the Centre bank account reconciliations for May 2021 and June 2021 and the Bank Balance Monitoring spreadsheet. We confirmed that AMPTC carry out the reconciliation and MCA Finance maintains the monitoring spreadsheet. The spreadsheet indicates review of the reconciliations and records any funds transferred to the MCA in line with agreed thresholds.</p> <p>We confirmed that the account's threshold limit has been agreed at £250,000; this is stated in the 2021/22 Business Plan. If the balance reaches £250,000 when the monthly reconciliation is undertaken, excess funds should be transferred from the Project Bank account to the MCA. A working capital amount in the region of £100,000 is retained to make payments to suppliers and meet any liabilities.</p> <p>Our review of the bank reconciliations for May 2021 and June 2021 confirmed compliance with the above process. A transfer of £250,000 took place in July 2021 following the June reconciliation, the May balance was under the threshold amount so no funds were moved.</p>	Implemented	N/A

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 4</b></p> <p>The joint process around Bad Debt Management at the AMP Technology Centre should be documented to allow clarity around roles and responsibilities, and when aged debt letters should or should not be used.</p> <p>During periods where management are offsite, aged debt letters should be used and actions recorded for monitoring.</p> <p>The procedures and letters should also be clear around the application of the 4% base interest charge on overdue rental.</p>	Low	<p><b>Actions:</b></p> <p>Debt recovery procedures will be formalised. This will include clarifying the respective roles and responsibilities of CSM and the MCA and escalation procedures where tenants fall into arrears.</p> <p><b>Responsible Officer:</b> Simon Tompkins, Finance Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 31/01/2021</p>	<p>We were advised that formal debt recovery procedures will be introduced once the economic difficulties surrounding the pandemic have eased.</p> <p>In the meantime the existing informal arrangements will remain in place.</p> <p>We were advised that this decision was taken after considering the difficulties tenants are facing due to the pandemic, and the low risk to the MCA of bad debts given the good collection rate and low level of arrears.</p>	<p><b>Outstanding</b></p> <p>Formal debt recovery procedures to be introduced once the economic difficulties surrounding the pandemic have eased.</p> <p><b>Responsible Officer:</b> Simon Tompkins, Finance Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Revised implementation date:</b></p> <p>31st March 2022</p>	Low

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 5</b></p> <p>Good procurement practices should be adopted to ensure that requirements as set in the MCA management agreement are being followed. Management should consider the following:</p> <ul style="list-style-type: none"> <li>Documenting the procurement procedure at the AMP Technology Centre and ensuring clear segregation of duties between the management involved so that those raising purchase orders are not approving payment to suppliers.</li> <li>Develop a process that provides a robust audit trail of all procurement and expenses including documented authorisation, documented purchase orders, POs approval in line with the Management Agreement, receipt of goods/ services, supplier invoices, deviations from original values on purchase orders to that then invoiced, and when payments are finally made. Management should consider implementing an electronic module to their finance system, SAGE, to support this process.</li> </ul> <p>Continued overleaf...</p>	High	<p><b>Actions:</b></p> <p>1. In the short term, the MCA will enhance the checks currently in place on expenditure incurred by CSM in running the AMP to obtain assurance that CSM are complying with the procurement standards specified in the contract.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 1. Short term: 31/01/2021</p>	<p>A procurement strategy and guidance on competitive tendering requirements have been developed to formalise enhanced checks on AMPTC expenditure. We reviewed the guidance, including the templates that support the procurement process. We confirmed that revised thresholds and delegated authorities have been formally agreed. There is a requirement to;</p> <ul style="list-style-type: none"> <li>Obtain at least one written quote for expenditure less than £5,000.</li> <li>Obtain three written quotes and MCA approval for expenditure over £5,000</li> <li>Provide a report of all procurement above £25k.</li> </ul> <p>We confirmed that procurement processes and thresholds have been incorporated into the Management Agreement by review of the variation document signed by the CSM Director (Paul Taylor) in April 2021.</p> <p>We noted that a schedule detailing current suppliers, contract values and contract terms, is in place to monitor renewals and tendering timescales.</p> <p>Procurement is now a standing agenda item at monthly monitoring meetings and our review of the minutes of the June 2021 meeting confirmed that procurement issues were discussed.</p> <p>Continued overleaf...</p>	<p><b>Partially Implemented</b></p> <p>The Authority to ensure:</p> <ul style="list-style-type: none"> <li>Purchase orders are raised and approved prior to incurring expenditure in all cases. For annual contracts, this means setting-up approved call-off purchase orders at the start of the year.</li> </ul> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager &amp; Simon Tompkins, Finance Manager</p> <ul style="list-style-type: none"> <li>Enhanced controls and embedding of procurement practices are working effectively.</li> </ul> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit &amp; Jill Smith, Head of Procurement</p> <p>Continued overleaf...</p>	Medium

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 5 continued</b></p> <ul style="list-style-type: none"> <li>Checks on total supplier spend to ensure that the predicted annual spend does not exceed national public sector procurement limits.</li> <li>The MCA should seek assurance through monthly reporting that the CSM Finance Team have completed the necessary checks on expenses are in line with their Management Agreement.</li> </ul>	High	<p><b>Actions continued:</b></p> <p>2. Longer term, a systems based solution will be sought which seeks to apply the same level of financial discipline on purchases made in connection with the running of the AMP as with expenditure incurred directly by the MCA.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 2. Long term: 30/04/2021</p>	<p>As part of an upgrade of its finance system, a new Purchase Order Control module is in place at CSM. This provides set delegation limits and an audit trail for orders. MCA Finance has access to this system to approve orders over the threshold of £5k.</p> <p>We obtained a download of all purchase orders on the new system which has been in operation since the end of June 2021. We tested a sample of five orders representing 90% of the total orders value on the new system.</p> <p>Our sample included costs relating to monthly water testing and cleaning, cleaning products and ten-month charges for electricity and rates. We confirmed the process with a member of the AMPTC Reception team.</p> <p>We confirmed that there was;</p> <ul style="list-style-type: none"> <li>Adequate segregation of duties between the person inputting and approving the order.</li> <li>There was electronic approval of POs which are then matched with the invoice.</li> <li>There was compliance with approval limits.</li> <li>invoices and relevant documentation were attached to the system record for 3 out of the 5 costs. Annual business rates and annual electricity charge invoices were not provided.</li> </ul> <p>Continued overleaf...</p>	<p><b>Continued:</b></p> <p>Both action points will be monitored through the monthly monitoring meetings with Creative Space Management.</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Revised implementation date:</b> 31<sup>st</sup> December 2021</p>	Medium

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
As above	High	As above	<p>We noted the following areas requiring attention to ensure that procurement controls are robust and operating effectively;</p> <ul style="list-style-type: none"> <li>We were unable to test quotes, tenders and contracts for the newly implemented procurement process as existing contracts were already in place for our sample.</li> <li>The electricity contract expired at the end of March 2021. We confirmed with the MCA Finance Manager that a new, one-year renewal contract has been established following the new procurement process. We reviewed the Procurement Report awarding the contract and confirmed that it was authorised by the Director of Finance.</li> <li>Purchase orders were raised on the system after the invoice date for our sample including for annual contracts. Going forward, we would expect a purchase order to be raised and approved prior to incurring expenditure. For annual contracts, invoiced regularly throughout the year, there should be call-off purchase orders in place at the start of the year which have been approved at the appropriate level.</li> </ul>	As above	Medium

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 6</b></p> <p>Management should consider developing centralised electronic filing to allow the retention of electronic, signed copies of tenant lease and licence agreements.</p> <p>The spreadsheet used to track licences should be updated to provide start and end dates of licences and narrative against each tenant to their current arrangements. The MCA should be provided with an action plan against each tenant to ensure awareness of those agreements due to expire and next steps by CSM.</p>	Low	<p><b>Actions:</b></p> <ol style="list-style-type: none"> <li>1. Create SharePoint access for SCR/CSM</li> <li>2. Confirm whether licenses can be granted on a rolling basis</li> </ol> <p><b>Responsible Officer &amp; Executive Lead:</b> Steve Davenport, Monitoring Officer</p> <p><b>Due date:</b> 31/08/2021</p>	<p><b>Action 1</b></p> <p>The review and set-up of access on SharePoint is underway.</p> <p><b>Action 2</b></p> <p>A proposal for a rolling Licence Agreement has been agreed by CSM. We confirmed by review of the revised agreement that it does not include an end date and is on a rolling basis.</p>	<p><b>Partially Implemented</b></p> <p>The Authority to set-up SharePoint access as planned.</p> <p><b>Responsible Officer:</b> Steve Davenport, Monitoring Officer</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Implementation date:</b> 31<sup>st</sup> August 2021</p>	Low

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 7</b></p> <p>Business continuity documents should adopt good version control practices, and all contact details be checked for inaccuracies.</p> <p>Testing arrangements of the Business Continuity plans should also be included in documents to ensure that staff involved are fully aware of their roles and responsibilities during an event.</p>	Low	<p><b>Actions:</b></p> <ol style="list-style-type: none"> <li>1. MCA to review with CSM as part of the annual Business Plan process to ensure enhancements are made.</li> <li>2. CSM to implement version control and testing arrangements of the Business Continuity Plan.</li> </ol> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager / Jonathan Griffin, AMP Centre Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 31/12/2021</p>	<p><b>Action 1</b></p> <p>The current Business Continuity Plan (BCP), dated November 2020 is part of the Business Plan 2021/22 and will be regularly reviewed each year when the annual business plan exercise is undertaken.</p> <p><b>Action 2</b></p> <p>Version control is maintained through the date of the document but an explicit version number to be given to the document following the next review.</p> <p>We were advised that CSM have agreed to test the BCP on an annual basis and will align this to the business plan renewal exercise.</p>	<p><b>Partially implemented</b></p> <p>The Authority to implement Business Continuity Plan version control and testing arrangements.</p> <p><b>Responsible Officer:</b> Charli Taylor, Senior Programme and Performance Unit Manager with Jonathan Griffin, AMPTC Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Revised implementation date:</b> 28<sup>th</sup> February 2022</p>	Low

# Detailed findings & action plan

Recommendation	Risk Rating	Agreed Action	Grant Thornton Findings	Status	Risk Rating
<p><b>Recommendation 8</b></p> <p>The impact of wedging doors on the buildings' fire certification and insurances should be considered and actions agreed with the MCA.</p> <p>Management should ensure that any future changes to the Covid-19 Risk Assessment be highlighted to MCA Health and Safety teams for their awareness and consultation.</p>	Medium	<p><b>Actions:</b></p> <p>MCA H&amp;S Advisor to engage directly with CSM to ensure measures on site and Risk Assessments are in accordance with H&amp;S regulations.</p> <p><b>Responsible Officer:</b> Lynne Sutton, Health &amp; Safety Advisor / Jayne Hampshire, Business Operations Manager</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Due date:</b> 31/12/2020</p>	<p>The Health &amp; Safety Advisor has met with the CSM manager responsible for the AMPTC to agree the process.</p> <p>The Health &amp; Safety Advisor is currently drafting a standard document setting out what is required and the format it should be reported in.</p> <p>A site visit will be carried out by the Health &amp; Safety Advisor every six months to assess whether the AMPTC site complies with health and safety legislation and best practice.</p>	<p><b>Partially Implemented</b></p> <p>The Authority to complete reporting documentation and begin H&amp;S site visits.</p> <p><b>Responsible Officer:</b> Lynne Sutton, Health &amp; Safety Advisor</p> <p><b>Executive Lead:</b> Gareth Sutton, Group Finance Director</p> <p><b>Revised implementation date:</b> 30th September 2021</p>	Medium

# Appendices

# Appendix 1: Staff involved and documents reviewed



## Staff involved

- Simon Tompkins, Finance Manager, MCA
- Steve Davenport, Principal Solicitor and Secretary to the Executive (SYPTTE)
- Lynne Sutton, Health & Safety Advisor, MCA
- Charli Taylor, Senior Programme and Performance Unit Manager, MCA
- Tracey Parker, AMPTC Reception Team



## Documents reviewed

- AMPTC Business Plan 2021/22
- AMPTC Risk Log (June 2021)
- Monthly performance monitoring meeting agendas, meeting minutes and action logs (May, June and July 2021)
- Covid risk assessment returns (May, June and July 2021)
- AMPTC bank account reconciliations (May and June 2021)
- Procurement strategy and guidance
- Draft rolling Licence Agreement
- AMPTC Business Continuity Plan, November 2020



# Appendix 2:

## Our assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.

Rating	Description
<b>Significant assurance</b>	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are suitably designed to achieve the risk management objectives required by management.</p> <p>These activities and controls were operating with sufficient effectiveness to provide significant assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by no weaknesses in design or operation of controls and only IMPROVEMENT recommendations.</p>
<b>Significant assurance with some improvement required</b>	<p>Overall, we have concluded that in the areas examined, there are only minor weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by minor weaknesses in design or operation of controls and only LOW rated recommendations.</p>
<b>Partial assurance with improvement required</b>	<p>Overall, we have concluded that, in the areas examined, there are some moderate weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide partial assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by moderate weaknesses in design or operation of controls and one or more MEDIUM or HIGH rated recommendations.</p>
<b>No assurance</b>	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are not suitably designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were not operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by significant weaknesses in design or operation of controls and several HIGH rated recommendations.</p>

# Appendix 2:

## Our recommendation ratings

The table below describes how we grade our audit recommendations based on risks:

Rating	Description	Possible features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none"> <li>• Key activity or control not designed or operating effectively</li> <li>• Potential for fraud identified</li> <li>• Non-compliance with key procedures/standards</li> <li>• Non-compliance with regulation</li> </ul>
Medium	Findings that are important to the management of risk in the business area, representing a moderate weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none"> <li>• Important activity or control not designed or operating effectively</li> <li>• Impact is contained within the department and compensating controls would detect errors</li> <li>• Possibility for fraud exists</li> <li>• Control failures identified but not in key controls</li> <li>• Non-compliance with procedures/standards (but not resulting in key control failure)</li> </ul>
Low	Findings that identify non-compliance with established procedures, or which identify changes that could improve the efficiency and/or effectiveness of the activity or control but which are not vital to the management of risk in the business area.	<ul style="list-style-type: none"> <li>• Minor control design or operational weakness</li> <li>• Minor non-compliance with procedures/standards</li> </ul>
Improvement	Items requiring no action but which may be of interest to management or which represent best practice advice	<ul style="list-style-type: none"> <li>• Information for management</li> <li>• Control operating but not necessarily in accordance with best practice</li> </ul>

