

# Leicestershire Revenue and Benefits Partnership

## Test and Trace Support Grant Payment Internal Audit

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## Report distribution:

## For action:

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## Responsible Executives:

- Julie Kenny, Director (Corporate Services)

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It is the responsibility solely of the Council's management and directors to ensure there are adequate arrangements in place in relation to risk management, governance, control and value for money.

# 1. Executive Summary

## Background

### Claiming financial support under the Test and Trace Support Payment Scheme

The £500 Test and Trace Support Payment is for people on low incomes who have to self isolate due to coronavirus (Covid-19). Individuals may be eligible if they are employed or self-employed, cannot work from home, and will lose income as a result. Individuals can only apply if they've been told to self-isolate by NHS Test and Trace, notified to self-isolate by the NHS Covid-19 app, or they are the parent or guardian of a child who has been told to self-isolate.

Government guidance sets out in what circumstances it is possible to claim the payment and is clear about the criteria that should be met. The scheme is administered by local councils and the Leicestershire Revenues & Benefits Partnership is responsible for administering the scheme locally.

In addition to the national scheme, the Partnership operates a local scheme which allows for discretionary payments to be made. The Partnership has set out the criteria that must be met to receive a discretionary payment.

As at 30<sup>th</sup> September 2021, the Partnership has received 1,420 applications for Test and Trace Support Payments. Of these 583 (496 main scheme and 87 discretionary) were successful in their application, receiving £500.00 each. Total payments made to date by the Partnership (30<sup>th</sup> September 2021) is £291,500.

In administering the scheme, the partnership is responsible for::

- Assessing applications to determine whether the eligibility criteria has been met;
- Communicating with applicants on whether they have met the eligibility criteria; and
- Making payments to eligible applicants.

## Objectives

Our review focussed on the following potential risks:

- The partnership is making payments to individuals who do not meet the prescribed eligibility criteria; and
- Applications and payments are not being processed accurately or in a timely manner.

## Limitations in scope

Our findings and conclusions will be limited to the risks identified above. The scope of this audit does not allow us to provide an independent assessment of all risks and controls across the entire management of the risk management process. Where sample testing is undertaken, our findings and conclusions will be limited to the sample tested only. Please note that there is a risk that our findings and conclusions based on the sample may differ from the findings and conclusions we would reach if we tested the entire population from which the sample is taken.

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

# 1. Executive Summary

## Conclusion

### SIGNIFICANT ASSURANCE (NO RECOMMENDATIONS)

We have reviewed the processes and controls around the Test and Trace Support Payment Scheme and have concluded that the processes have provided a **SIGNIFICANT LEVEL OF ASSURANCE**. This was confirmed through testing in specific areas of the Partnership and through discussions with management. No recommendations have been raised.

The Test and Trace Support Payment Scheme was established in September 2020. As such it is a relatively new system. Our testing has focused on the areas of the scheme which present the greatest risk. The controls tested are set out in our Audit Planning Brief.

We have reviewed the Partnership assessment criteria documentation for both the Main Scheme and Discretionary Payments Scheme and found this to be consistent with HM Government guidance.

The Test and Trace Process Map provides a process for the main scheme and incorporates a checklist of requirements in line with the eligibility criteria. The discretionary scheme mirrors this process.

There is a defined team with separation of duties between the assessment, approval, bank checks and payment of applications.

We undertook sample testing in the walkthrough meeting with Partnership staff and no anomalies were identified.

A further 10% sample was reviewed focussing on the criteria and payments. The single finding was, of the 59 additional claims sampled, 1 payment was made outside of the 3 day limit. This was followed up with the Partnership and confirmation received that the approved claim had been omitted from the payment run. The matter was immediately rectified after the applicant made contact.

Objectives / Risks reviewed	Assurance rating and number of recommendations
The partnership is making payments to individuals who do not meet the prescribed eligibility criteria.	Significant assurance (no recommendations)
Applications and payments are not being processed by the partnership accurately or in a timely manner.	Significant assurance (no recommendations)

## Recommendations

We have raised 0 recommendations.

	High	Med	Low	Imp
Detailed findings	-	-	-	-

## Acknowledgement

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

# 2. Detailed Findings & Conclusions

2.1

Low

The Partnership is making payments to individuals who do not meet the prescribed eligibility criteria.

## Findings and Conclusion

The testing for this risk incorporated two areas;

- A review of the HM Government guidance and all internal guidance documents held within the Partnership.
- A review of the design and operation of the Partnership's controls for administering the scheme.

We have seen that there is a robust process in place within the Partnership to ensure that all applications are assessed in accordance with the HM Government guidance.

- Management outlined the robust two week preparation process undertaken within the Partnership at the commencement of the scheme to ensure that pre-payment checks were undertaken and evidenced for all applications. The levels of pre-payment checks was stated to be over and above the guidance issued by the Department of Health.
- The team is organised with assessors, all experienced benefits officers, divided into the main scheme, the discretionary scheme with a few hybrid team members to cover absences.
- There is a defined team structure which ensures separation of roles between the assessment, approval, bank checks and payment of applications.
- There is an internal training pack, assessor checklist and claim application flowchart outlining the eligibility criteria for assessors. We have noted that separate checklists are in place and applicable for the main and discretionary payments schemes.
- The online application process rejects applications which do not meet the criteria.
- Three months ago all Test and Trace Support Payment claim applications began to be logged and processed via Ascendent. This system has all the required checks in-built preventing fraudulent applications and it also issues responses via a generic email and is thus not reliant on personal email inboxes being monitored by the assessors. The only local input required is a check of the Test and Trace ID (where applicable) which is undertaken using the Public Health England eligibility checker. All follow up checks are undertaken via Ascendent, providing a robust and time efficient system.
- Currently 3 team members are training on Ascendant; other officers have the knowledge base should there be a requirement to increase resources.
- Current guidance is that the scheme has been extended to March 2022.
- Internal briefing documents ensure that team members are aware of changes implemented as the Test and Trace Support Payment scheme develops.

### Conclusion

**Our work identified that the Partnership had adopted guidance in line with HM Government guidance and had appropriate controls in place to implement this guidance.**

# 2. Detailed Findings & Conclusions

2.2

Low

Applications and payments are not being processed by the Partnership accurately or in a timely manner.

## Findings and Conclusion

The Test and Trace Process Map is a flowchart clearly outlining the application form process from start to end. This flowchart is comprehensive and outlines responsibilities within the team and deadlines to be adhered to.

The assessment checklist mirrors the monitoring spreadsheet maintained for each of the three local authorities. Within the folder structure there is a separate folder for each local authority and within that a separate folder set up for each team member which ensures a complete audit trail per application.

Walkthrough testing was undertaken with key staff to review the processing procedure. During this, a test of key controls for a sample of one main scheme and one discretionary scheme application was reviewed for each of the three local authorities within the Partnership. These 6 applications were all evidenced as being assessed, approved and paid within the national or locally agreed eligibility criteria. All payments were made accurately and in a timely way.

A further 10% sample check was undertaken of paid claims across the main scheme and discretionary scheme for each local authority within the Partnership. These attribute based tests were designed to assess whether the following application controls were adhered to;

- the application submission date met the time limit;
- the applicant met the residency criteria;
- where applicable, the T&T ID had been verified;
- the payment was made to a bank account matching the applicant's name;
- the payment was made by the partnership within 3 working days of the application approval.

We found 100% compliance with those controls designed and implemented by Partnership management to manage the Test & Trace support system with one exception as follows:

- of the 59 claims sampled, 1 payment was made outside of the 3 day limit. However when this was followed up with management it was confirmed that the approved claim had been received in time but had been omitted from the payment run. The matter was immediately rectified after the applicant made contact.

We concluded that this was an oversight, immediately addressed once identified. As such, we have not raised a recommendation or improvement point.

### Conclusion

**Our testing has enabled us to conclude that in the majority of cases, applications and payments are being proceeded by the Partnership accurately and in a timely manner.**

# 3. Appendices

# Appendix 1 – Staff involved and documents reviewed

## Staff involved

- Sally O'Hanlon, Head of Leicestershire Revenues & Benefits Partnership
- Storme Coop, Benefits Operational Manager
- Emma Weaver, Benefits Team Leader
- Bonnie Kipling, Senior Benefits Officer

## Documents reviewed

- HM Government Guidance – claiming financial support under the Test and Trace Support Payment Scheme
- NHS Test and Trace Support Payment – Processing Applications Training Pack (undated)
- Briefing Note Test and Trace Payment Scheme – Discretionary Element (March 2021)
- Briefing Note Test and Trace Payment Scheme – fundamental changes (March 2021)
- Test and Trace Support Payment Scheme Assessor Checklist Main Scheme (v1.2)
- Test and Trace Process Map
- Test and Trace Support Payment Scheme – Assessor Checklist (Discretionary Scheme)
- Monitoring spreadsheets; Hinkley and Bosworth Borough Council, Harborough District Council and North West Leicestershire District Council
- Ascendant system reports
- Test and Trace Expenditure Sheets



# 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 assurance levels (cont'd)

The table below describes how we grade our audit recommendations.

Rating	Description	Possible features
<b>High</b>	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>
<b>Medium</b>	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>
<b>Low</b>	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>
<b>Improvement</b>	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>

