

Internal Audit

Grant Audit Committee Summaries

2022/23

Department for Education (DfE): Skills Bootcamp Grant Scheme Wave 3

Department for Education (DfE): Skills Bootcamp Grant Scheme Wave 3

Grant certification and verification

We can confirm that use of grant funding complied with grant conditions.

The statement of grant usage includes a certificate of usage, a statement of expenditure and a report confirming delivery as required by the grant scheme. As the grant is still in progress, we have reviewed budget monitoring arrangements and compliance checking procedures to provide assurance for the pending statement of grant usage.

The original grant proposal of £1,250,543 was agreed by Department for Education (DfE) in May 2022. A further £100k of funding was provided by DfE in November 2022, totalling £1,350,543 for training 380 learners. We were told that funding for an additional 100 learners will be made available from DfE although no formal grant offering letter had been received at time of review.

The proposed budget allocated £125,054 for management costs, less than 10% of the total, and £1,225,615 to six training providers selected as part of a procurement exercise. There is a slight overspend of £126 for the training providers, the Project Manager stated it is anticipated that not all learners will complete the training reducing the payment due. We queried the inclusion of expenditure for marketing and consultancy within the management costs, as these are stated as inappropriate in the grant conditions. The Project Manager confirmed that DfE were made aware of this and accepted that advertising the scheme was essential to attracting learners. The consultancy work will be used to evaluate the grant scheme outcomes and we understand this is an estimate pending a tender exercise at the end of the financial year 2022-23. We accepted these explanations as reasonable expenditure and have asked that written confirmation of acceptance from DfE of exceptional use of grant funding, if it appears or actually conflicts with grant conditions, is requested and retained by the Project manager.

We confirmed the first payment by DfE of £687,798 was recorded on the council's general ledger in October 2022. We reviewed evidence of actual expenditure for training services and confirmed invoices were specific to the skills bootcamp and cost per learner did not exceed £3,572 as stipulated in the grant conditions. The compliance process involves each cohort being sample tested by the project officer to confirm learners having signed privacy, complaints and whistleblowing policy and have right to work in the UK. Attendance is also confirmed to ensure learners have fully attended all days and received an agreed number of guided learning hours (with tutor, either in person or online). Overall, we were satisfied that funding will be solely used for the grants stated purpose, compliance with the grant conditions will be maintained and the review process is effective to confirm milestones are met by providers prior to payment.

Context

The intention of the Skills Bootcamp grant scheme is to fund a training program across Lancashire, aligned to employer needs and directly linked to employment opportunities in the area. It is currently in Wave 3. Following a procurement exercise six providers were selected to provide digital services training programs. There has been a delay in provision of training during the 2022-23 financial year, with most providers having only recently started or due to start at the end of January 2023.

The total funding provided by DfE was £1,350,543 for the period 1 April 2022 to 31 March 2023 to train and support 380 learners. To date, the council has received £687,798 from DfE, with £235,940.94 paid to training providers and £36,525.87 spent on management costs.

Liverpool Combined Authority Local Energy Hub – Q2 & Q3 2022/23

Liverpool Combined Authority Local Energy Hub – Q2 2022/23

Grant certification and verification

We have examined payments made in Quarter 2 of the 2022-23 financial year, submitted by Lancashire County Council to the Liverpool City Region Combined Authority in relation to the Local Energy Hub grant programme. The objective of this review was to perform checks to provide assurance that the grant conditions have been met.

We confirmed that all expenditure incurred complied with grant conditions. In line with grant conditions (see page 3, clause 2.1; and page 18, clauses 4 and 5), Lancashire County Council has appointed a Senior Project Officer (Low Carbon and Renewable Energy) and a Community Energy Investment Lead. Employment costs for the period reviewed do not yet include the pay award for 2022/23 which was agreed in November 2022. April to October's pay will be backdated in November's payroll.

Liverpool Combined Authority Local Energy Hub – Q3 2022/23

Grant certification and verification

We have examined payments made in Quarter 3 of the 2022-23 financial year, submitted by Lancashire County Council to the Liverpool City Region Combined Authority in relation to the Local Energy Hub grant programme. The objective of this review was to perform checks to provide assurance that the grant conditions have been met.

We confirmed that all expenditure incurred complied with grant conditions. In line with grant conditions (see page 3, clause 2.1; and page 18, clauses 4 and 5), Lancashire County Council has appointed a Senior Project Officer (Low Carbon and Renewable Energy) and a Community Energy Investment Lead. Employment costs for the period reviewed do include the pay award for 2022/23 which was agreed in November 2022. April to October's pay has been backdated in November's payroll. The Grade 12 member of staff associated with payroll costs as part of this grant funding left the organisation in November 2022. A decision on recruitment to fill the vacancy is to be taken in the near future.

Context

This audit has been conducted to provide assurance to the Liverpool City Region Combined Authority that the Internal Audit Service consider that information and evidence provided by the External Funding and Investment team in support of the grant claims submitted for quarter 2 and 3, is complete, accurate and that grant terms and conditions have been complied with.

Schedule 3 of the grant conditions state payment will be made to Lancashire County Council within 20 working days of receipt of each quarter's claim forecast, subject to satisfactory audit assurances that payments comply with grant conditions and reconciliation of any previous quarter's payment. A quarterly certificate confirming this must be signed by the S151 Officer and the Head of Internal Audit and submitted for each claim.

Grant funding for the sum of £260,000 plus £10,000 in respect of expenses was allocated to Lancashire County Council to support the establishment of the North West Local Energy Hub and further development of local energy strategy. Liverpool Combined Authority, as the accountable body, has secured funding from the Secretary of State for Business Energy and Industrial Strategy (BEIS) for the period of July 2021 to March 2024.