INITIAL SCREENING – STAGE 1

As a public authority we need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity.

Please complete the following questions to determine whether a Full EINA/EQUALITY ANALYSIS is required.

Name of policy, strategy or function: Internal Audit  
Ref: CR - 0312IA

Responsible Officer: Sarah Penfold  
Role: Chairperson of EINA/EQUALITY ANALYSIS Task Group

Directorate: Corporate Resources  
Assessment Date: November 2011  
Updated March 2012

Is this a: Policy □  Strategy □  Function ☒  Service □
Is this: New or Proposed □  Already exists and is being reviewed ☒  Is Changing □

1. What are the main aims, objectives of the policy, strategy, function or service and the intended outcomes and who is likely to benefit from it

The two key objectives of the Internal Audit function are:

- To deliver an internal audit service that meets professional and mandatory standards, and delivers suitable assurance to the Council.

- To deliver an effective counter fraud service to prevent, detect and deter fraud and error.

Internal Audit's role is to help the Council meet high standards of service delivery, conduct and governance, and assist in driving down the levels of fraud.

The work of Internal Audit benefits the whole organisation through the implementation of recommendations to improve overall performance and the systems of internal control.
2. Explain how the main aims of the policy, strategy, function or service will support the Equality Duties?

1. Eliminate discrimination, harassment and victimisation?
2. Advance equality of opportunity?
3. Foster good relations?
4. Promote positive attitudes towards disabled people?
5. Encourage participation of disabled people?
6. Consider more favourable treatment of disabled people?

A well governed local authority takes into account equality in the broadest and specific senses in its management arrangements. Our work involves evaluating the adequacy and effectiveness of policies and procedures, including compliance with legislation and Council policy. Examples included a review of the EINA / Equality Analysis process and work to support the implementation of the Birmingham Contract. This helps foster good relations with both internal staff and the public.

Audit reports are produced following work assignments to provide senior management with a summary of our findings and recommendations for improvements. Where recommendations are actioned / implemented, systems and procedures are strengthened, making for more efficient / effective use of resources to the benefit of all the citizens of Birmingham.

All audit reports are discussed with the client, and working papers supporting the audit findings verified prior to them being issued. This helps foster good relations and ensures the information reported is accurate.

3. Does your policy, strategy, function or service affect:

<table>
<thead>
<tr>
<th>Service users</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Wider community</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

Please provide an explanation for your ‘Yes’ or ‘No’ answer

The internal audit function directly affects service users, employees or the wider community either directly via changes to processes / procedures or more widely via changes to governance arrangement, for example: Revised HR Policies, The Constitution, etc. The function helps ensure we can ‘self police’ as an organisation.

The function involves evaluating the adequacy and effectiveness of policies and procedures, including compliance with legislation and Council policy. This is undertaken through sample testing across all directorates within the Council - the results of our testing are recorded on our Audit / Fraud Management systems and the outcomes reported to the respective directorates.

The work undertaken by the counter fraud service will impact employees where allegations of irregular action / conduct have been made.
4. Are there any aspects of the policy, strategy, function or service, including how it is delivered, or accessed, that could contribute to inequality? (including direct or indirect discrimination to service users or employees)

<table>
<thead>
<tr>
<th>Yes ☑</th>
<th>No ☐</th>
</tr>
</thead>
</table>

Please provide an explanation for your ‘Yes’ or ‘No’ answer

The internal audit function focuses mainly on internal customers. However, in our dealings with people we are sensitive to issues relating to all equality themes for example: the location of meetings, and the staff involved.

All our written communication is produced in English, although on request we will arrange translation.

Although the normal medium of verbal communication is English, we have access to, and use, interpreters for people using a minority language.

Hearing loops are installed at both our sites and we use the corporate contractor Big Word when required.

5. Will the policy, strategy, function or service, have an adverse (negative) impact upon the lives of people, including employees and service users?

<table>
<thead>
<tr>
<th>Yes ☑</th>
<th>No ☐</th>
</tr>
</thead>
</table>

Please provide an explanation for your ‘Yes’ or ‘No’ answer

Internal audit carry out reviews on areas of City Council activity. As stated previously the function directly affects service users, employees or the wider community either directly via changes to processes / procedures or more widely via changes to governance arrangement, for example: Revised HR Policies, The Constitution. In some instances these changes may have an adverse impact on some individual within these groups. The Audit Plan for 2011/12 included an allocation of 90 days for reviewing corporate governance arrangements.

Some of our work will directly affect the lives of a small number of people, in particular as a result of fraud and irregularity investigations, for example; an employee may be dismissed following an audit investigation and subsequent disciplinary hearing.

Some of our work involves investigations at third sector organisations funded by the Council, and this work potentially impacts on members and staff at these organisations. The Audit Plan for 2011/12 included an allocation of 50 days for reviewing third sector grants.

All Corporate Fraud / Benefit Counter Fraud investigations are the result of a risk assessed referral.

- Corporate Fraud referrals are scored on seven criteria, ie: source, political importance, urgency, reputational risk, background knowledge, quality of evidence and value.

- Benefit Counter Fraud referrals are scored on five criteria, ie: source, type of allegation, quality
of information, additional information, any previous fraud allegations / fraud proven. How different groups experience the function will depend on those referrals identified as sufficiently high risk to require investigation.

Specific members of the public may have different needs and we are sensitive to these when interacting with them, eg: people with disabilities.

6. Is an Equality Impact Needs Assessment required?

If your answer to question 2 has identified potential adverse impact and you have answered ‘yes’ to any of the following questions 3, 4, or 5, then you should carry out a Full EINA/EQUALITY ANALYSIS.

Does the Policy, Strategy, Function or Service require a Full EINA/EQUALITY ANALYSIS?

Yes ☒ No ☐

If a Full EINA/EQUALITY ANALYSIS is required, before proceeding you should discuss the scope of the assessment with service managers in your service area as well as the Directorate EINA/EQUALITY ANALYSIS Contact Officer.

If a Full EINA/EQUALITY ANALYSIS is Not required, please sign the declaration below and forward a copy of the Initial Screening to your Directorate EINA/EQUALITY ANALYSIS Contact Officer

DECLARATION

A Full EINA/EQUALITY ANALYSIS is not required, the Initial Screening has demonstrated that the Policy, Strategy, Function or Service is robust; there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken.

Chairperson: Summary statement: Having undertaken an initial impact assessment of the Internal Audit function we have concluded that as there are potential adverse impacts associated with aspects of the function we should proceed to a full impact assessment.

Sign-off Date: Our anti fraud activity leads to the investigation of concerns. Where individuals are found to have acted outside of the law, or BCC systems and procedures, action will be taken. From their point of view this could be seen as having adverse impact.
Quality check: The screening document has been checked using the agreed audit arrangements in the Directorate:

<table>
<thead>
<tr>
<th>Name: (Officer/Group carrying out the Quality Check)</th>
<th>Date undertaken:</th>
<th>Screening review statement:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winnie Adams-Bell</td>
<td>23/04/12</td>
<td>On receipt of the first version of this Equality Analysis, a meeting was held with Cynthia Carran and Sarah Penfold on the 12/03/2012, to share our comments and provide feedback on this analysis and to also receive further clarity and information to gain an understanding of this proposal and the potential impact. Utilising our written feedback and our advice during the meeting of the 12/03/12, we then received 2 further versions of this Analysis. Based on the additional information provided and the gaps identified in this analysis (V3), we agreed with the Chairperson’s decision to go to a Full Equality Analysis.</td>
</tr>
</tbody>
</table>

**Directorate:** Corporate Resources

**Contact number:** 0121 303 3824

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**EINA/EQUALITY ANALYSIS Task Group Members**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role on Task Group (e.g. service user, manager or service specialist)</th>
<th>Contact Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sarah Penfold</td>
<td>Chairperson / Service Specialist - CFT</td>
<td>303 2220</td>
</tr>
<tr>
<td>2. Cynthia Carran</td>
<td>Audit Manager - CABS</td>
<td>303 2104</td>
</tr>
<tr>
<td>3. Paul Moloney</td>
<td>Service Specialist - Internal Audit</td>
<td>464 1422</td>
</tr>
<tr>
<td>4. Sue Payne</td>
<td>Service Specialist - BCFT</td>
<td>303 1093</td>
</tr>
<tr>
<td>5. Laeeq Beg</td>
<td>Operations Manager - BCFT</td>
<td>303 1723</td>
</tr>
</tbody>
</table>
FULL EINA/EQUALITY ANALYSIS – STAGE 2
Step 1– Scoping the Equality Impact Needs Assessment (EINA/EQUALITY ANALYSIS)

Building on the material included at the Initial Screening stage, you should begin the EINA/EQUALITY ANALYSIS by determining its scope. The EINA/EQUALITY ANALYSIS should consider the impact or likely impact of the policy, strategy, function or service in relation to all areas of our remit. The EINA/EQUALITY ANALYSIS should be proportionate to the significance and coverage of the policy, strategy, function or service.

1. What data, research and other evidence or information is available which will be relevant to this EINA/EQUALITY ANALYSIS? Please tick all that apply

<table>
<thead>
<tr>
<th>Service Targets</th>
<th>Performance Targets</th>
<th>Service Take-up</th>
</tr>
</thead>
<tbody>
<tr>
<td>User Satisfaction</td>
<td>Press Coverage</td>
<td>Census Data</td>
</tr>
<tr>
<td>Workforce Monitoring</td>
<td>Community Intelligence</td>
<td>Previous EPA</td>
</tr>
<tr>
<td>Complaints &amp; Comments</td>
<td>Information from Trade Unions</td>
<td>EPA EPA</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please provide details on the available evidence/information you have selected?

Birmingham Audit objectives:

- to deliver an internal audit service which meets professional and mandatory standards and delivers suitable assurance to the Council
- to deliver an effective counter fraud service to prevent, detect and deter fraud and error.

Business plan monitoring includes actions and progress against the Birmingham Audit measures and targets.

There are key performance indicators (KPIs) in place which are designed to monitor progress against the Annual Audit Plan, recommendations accepted / implemented, etc. Performance against the KPIs is published on a monthly and quarterly basis. Monthly performance is cascaded via the management team and quarterly monitoring information is published on our internal notice board, via the Business Plan, Information Security and the Communications & Risk Register Action Monitoring document. The publication of this document helps ensure that staff are kept fully informed and have ownership of the work undertaken by Birmingham Audit. It also includes reference to stakeholder satisfaction regarding the service provided.

All work is reviewed and there is a quality assurance framework in place to demonstrate that the service is:

- meeting its aims and objectives;
- meeting internal quality standards;
- effective, efficient, continuously improving; and
- adding value and assisting the organisation in achieving its objectives.

Service targets are also monitored via SSM.
We report / provide regular updates on a number of issues including performance to a variety of internal and external stakeholders, for example: the Audit Committee, Audit Commission and executive management groups. We also liaise closely with internal clients via quarterly update meetings, emails, etc.

We communicate with external and internal stakeholders via a number of avenues. These include external articles in the Birmingham Inner Voice publication and internal publications including Fraud Flash, Fraud Spotlight, The Auditor and articles in the Corporate and Directorate Core Briefs.

We have in a place an Equality Analysis Task Group which is attended by representatives from across the Division. Meeting minutes are produced and published on our internal notice board.

We support / develop staff via the Birmingham Audit Post Entry Training Scheme.

Staff are consulted with and provided with information on all aspects of the service, including corporate issues via the Audit Notice Board.

User (Customer) Satisfaction is measured through the use of Post Audit Questionnaires which are issued following the completion of audit reviews / investigations. These are completed by individual managers on behalf of the service. A copy of the questionnaire is attached as Appendix One.

Monthly / quarterly analysis of customer satisfaction is undertaken. The % of customers rating the service as very good, good or satisfactory is recorded onto the Councils performance management system SSM, on a monthly basis. The quarterly analysis is presented to and discussed at the quarterly Quality System Review Group (QSRG) meetings. Minutes of the QSRG meetings are available to all staff via the Audit Notice Board.

Copies of all previous EINAs / supporting evidence are held electronically within the BA Public directory which is accessible by all BA staff.

2. Have you identified any gaps in relation to the above question?   Yes ☐  No ☒
If ‘Yes’ please detail including what additional research or data is required to fill these gaps? Have you considered commissioning new data or research?

If ‘No’ proceed to Step 2.
### Step 2 – Involvement and Consultation

Please use the table below to outline any previous involvement or consultation with the **appropriate** target groups of people who are most likely to be affected or interested with this policy, strategy, function or service. (See Appendix 3 - for details on each target group)

<table>
<thead>
<tr>
<th>Target groups</th>
<th>3. Describe what you did, with a brief summary of the responses gained and links to relevant documents, as well as any actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td>The paragraph included here is relevant to all boxes within this section. There is no specific consultation in respect of any one of the 6 specific areas.</td>
</tr>
<tr>
<td></td>
<td>As stated in ‘Step 1’ above we have consulted with all of our staff.</td>
</tr>
<tr>
<td></td>
<td>We have minimal direct contact with some of our stakeholders, particularly members of the public. However, we do consult with our stakeholders in a number of ways including attendance at, and reporting to, the Audit Committee, regular meetings with the Director of Finance, the Strategic Director of Corporate Resources, and Cllr Brew, Cabinet Member for Finance.</td>
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<tr>
<td><strong>Disability</strong></td>
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<td><strong>Gender</strong></td>
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<tr>
<td><strong>Race</strong></td>
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<tr>
<td><strong>Religion or belief</strong></td>
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</tbody>
</table>
4. Who are the main stakeholders and what are their requirements?

There is a statutory requirement for Local Authorities to have a counter fraud and internal audit function.

All internal and external stakeholders require that we deliver an internal audit service which meets professional and mandatory standards, and delivers suitable assurance to the Council. They also expect us to deliver an effective counter fraud service to prevent, detect and deter fraud and error.

We have minimal direct contact with some of our stakeholders, particularly members of the public.

Our main stakeholders are internal clients, including the Audit Committee and Councillor Brew Cabinet Member for Finance. External stakeholders include the Audit Commission and Department for Work and Pensions. Consultation is carried out with a number of stakeholders via established practices including scheduled committee meetings, liaison meetings, etc. Information from committee meetings is available from ‘Democracy in Birmingham’, the Council database for allowing access to all agendas, reports and decisions.

Specific requests for information in different formats, eg: Braille, are always met.

5. Amongst the identified groups in the previous question, what does your information tell you about the potential take-up of resulting services?

Given the nature of our service this question is not relevant.

Step 3 – Assessing Impact and Strengthening the Policy

6. What will be done to improve access to, and take-up of, or understanding of the policy, strategy, function or service?

The Internal Audit service is promoted via various internal media methods and in accordance with professional standards, all results of our work are communicated verbally and in writing. If required written communication can be provided in translation, large print, etc. A hearing loop is available at both of our locations and we use the contracted service Big Word as required for telephone conversations.

The Annual Audit Plan is determined through a risk assessment process. This involves identifying all of the key objectives of the Council and the key risks associated with their achievement. We then map the activities undertaken by the Council in delivering these key objectives and form a view as to where ‘assurance’ over these activities is gained from. This is undertaken by liaising with key stakeholders and our own knowledge and experience of the organisation and the risks it faces.

We encourage stakeholders to report any concerns regarding possible fraud or irregularity to us.

We have not identified any requirement, or had any requests to improve access to the Internal Audit service or any associated documentation.
Step 4 – Procurement and Partnerships

7. Is this project due to be carried out wholly or partly by contractors?

Yes ☐  No ☒

If ‘yes’, have you done any work to include equality considerations into the contract already? Specifically you should set out how you will make sure that any partner you work with complies with equality legislation.

All partnership arrangements ceased WEF 31st March 2011.

However, the Council has a corporate contract in place for provision of surveillance and as part of our counter fraud service we may advise other business areas regarding the use of this service. The contracted provider must comply with the legislative requirements of RIPA which in turn is monitored corporately.

Step 5 – Making a Decision

8. Summarise your findings and give an overview of whether the policy, strategy, function or service will meet the authority’s responsibilities in relation to equality and support the council’s strategic outcomes?

The majority of the activity carried out within the function has limited potential adverse impact with regard to equality. The remaining part is investigations, where there are measures in place to mitigate any potential adverse impacts. As a result, we conclude that the function meets the authority’s responsibilities in relation to equality.

Step 6 – Monitoring, Evaluating and Reviewing

Before finalising your action plan you must identify how you will go about monitoring the policy/function or the proposals, following the assessment, and include any changes or proposals you are making.

9. What structures are in place to monitor and review the impact and effectiveness of the new policy, strategy, function or service?

Equality issues are built into the Business Planning process, in addition ‘equalities’ is a standing agenda item at Audit Management Team meetings.

The Divisional Equality Assessment Group monitors the EA Action Plan.

Monthly / Quarterly monitoring of the Business Plan is undertaken, and reported to the Director of Finance.
Step 7 – Action Plan

Any actions identified as an outcome of going through the Steps 1 – 6, should be mapped against the headings within the Action Plan.

10. Taking into consideration the responses outlined in the Initial Screening Stage and Steps 1-6 of the Full Assessment, complete the action plan below.

<table>
<thead>
<tr>
<th>Ref (if appropriate)</th>
<th>Actions</th>
<th>Target date</th>
<th>Responsible post holder and directorate</th>
<th>Monitoring post holder and directorate (if appropriate)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Involvement and Consultation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Data Collection</strong></td>
<td></td>
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<tr>
<td><strong>Assessment and Analysis</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Review the EA following the revision and the publication of Corporate Fraud Procedures.</td>
<td>31.03.12</td>
<td>Sarah Penfold, Group Auditor, Birmingham Audit, Corporate Resources</td>
<td>Neil Farquharson, Auditor Manager, Birmingham Audit, Corporate Resources</td>
</tr>
<tr>
<td><strong>Procurement and Partnership</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Monitoring, Evaluation and Reviewing</strong></td>
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</table>

Step 8 – Sign-Off

The final stage of the EINA/EQUALITY ANALYSIS process is to formally sign off the document as being a complete, rigorous and robust assessment.

The policy, strategy or function has been fully assessed in relation to its potential effects on equality and all relevant concerns have been addressed.

<table>
<thead>
<tr>
<th>Chairperson of EINA/EQUALITY ANALYSIS Task Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Sarah Penfold</td>
</tr>
<tr>
<td>Job Title: Group Auditor</td>
</tr>
<tr>
<td>Directorate: Corporate Resources</td>
</tr>
<tr>
<td>Sign-off Date: March 2012</td>
</tr>
</tbody>
</table>

Concluding statement:
We have undertaken a full Equality Analysis and have identified an appropriate action. We will monitor and review progress through the EA Action Plan during 2012/13.

<table>
<thead>
<tr>
<th>Quality Check and Review by the Directorate EINA/EQUALITY ANALYSIS Contact Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Winnie Adams-Bell</td>
</tr>
<tr>
<td>Directorate Team: Equality &amp; Diversity</td>
</tr>
<tr>
<td>Review Date: 23/04/12</td>
</tr>
</tbody>
</table>

Summary of strengths and area(s) for improvement:
Although additional information has been included in this revised version (V3) of the Analysis, the below issues will need to be addressed by the Chairperson/members of the Task group prior or during the next review of this proposal:
- Statement made that, individuals who are found to have acted outside of the law, view the proposal actions taken as having adverse impact. What evidence do you have of this? What does your Data tell you? What are you doing to reassure individuals? (Chairperson – summary statement).

<table>
<thead>
<tr>
<th>Service Director or Senior Officer (sign-off)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: John Turner</td>
</tr>
<tr>
<td>Job Title: Acting Assistant Director, Audit &amp; Risk Management</td>
</tr>
<tr>
<td>Date: 24/04/12</td>
</tr>
</tbody>
</table>
# INTERNAL AUDIT POST AUDIT QUESTIONNAIRE

Audit: 

Directorate: 

Date of Issue: 

Internal Audit is continuously looking at ways of improving the quality of service that we provide. Please could you complete this questionnaire to help us ensure that the service we provide is of the highest possible standard.

## Evaluation

Please indicate a score of 1 - 5, with 1 being poor and 5 being good.

<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Overall evaluation of the audit in terms of added value to your business area and improving control / performance.</td>
<td></td>
</tr>
<tr>
<td>2. The level of consultation during the audit.</td>
<td></td>
</tr>
<tr>
<td>3. The audit was carried out effectively with minimum disruption.</td>
<td></td>
</tr>
<tr>
<td>4. The auditors were professional, objective and worked well with your team.</td>
<td></td>
</tr>
<tr>
<td>5. The final report was clear, concise, addressed the key issues and was issued in a timely manner.</td>
<td></td>
</tr>
</tbody>
</table>

## Comments:

Form completed by:

Name: ____________________ Designation: ____________________

Signature: ____________________ Date: ____________________

Thank you for completing this questionnaire. Please return to:

Kay Reid  
Principal Group Auditor  
Birmingham Audit  
Unit 9 The Wharf  
Bridge Street  
Birmingham  
B1 2 JS  
E-Mail: birminghamaudit@birmingham.gov.uk