

## **Growth Deal Monitoring and Assurance Framework - Projects**

### **Introduction**

The Joint Committee Monitoring & Assurance Framework sets out how the Joint Committee Programme Management Officer and Programme Compliance Officer will monitor and assure programme compliance and performance on behalf of the Accountable body. The Joint Committee Programme Management Officer and Programme Compliance Officer will periodically review visit requirements to ensure alignment with Internal Audit requirements.

The Monitoring and Assurance Framework comprises of three types of visit:

- **Engagement Visit (EV) or Development Guidance (DG)**
- **Annual Monitoring Compliance and Audit Visit (MCAV)**
  - **Full audit (growth deal and match funding, procurement, milestones and outputs)**
  - **Progress and outputs (milestones and outputs)**
- **Project Closure Visit (PCV)**

The content of these individual visits is detailed in the **Project Audit Visit Framework** (Figure 1. below) The frequency of the visit will be determined on a risk based criteria excluding the Monitoring and Compliance Visit (MCAV) which will be carried out annually to review the previous year’s claim submissions. A MCAV may be combined with a Project Closure Visit (PVC). Where deemed appropriate, a MCAV will be carried out remotely via a desk check. If a project is of high risk or requires further support, additional informal visits will be undertaken.

### **Visit Overview**

The purpose of these visit checks is to advise, support and ensure grantees are fulfilling their Grant Agreement obligations; and to examine and evaluate the Grantees financial systems and management controls in place. Audit visits will involve rigorous testing of financial and performance documentation in support of claim(s). The objective of the testing is to confirm that the control systems provide adequate expenditure and output audit trails.

Where not previously examined, a sample of the selected expenditure and procurement will be checked during the visit for completeness.

### **Grantee Obligations**

Document retention timelines are required to be observed by the grantee, as written into grant agreements, which note the current retention period of 3 years after the end date of this programme 31 March 2021, i.e. to be held until 31 March 2024. All related project information to be held in an accessible format during this period.

### **Expenditure and Outputs Verification**

A monthly or quarterly claim has been developed ensuring that data is captured in line with Walsall Council’s requirements. The claim will include:

- Expenditure / budget forecast
- Outputs achieved
- Outputs forecast
- Milestone reporting
- Major and Fixed Assets Register information

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The different visit types check that Grantees are appropriately maintaining source documentation and backing evidence in support of claims. Templates will be used to ensure that Partner systems and procedures are comprehensively and consistently checked. The Joint Committee Programme Management Officer and Programme Compliance Officer will test systems and comment upon and make recommendations as necessary.

**Evidence Documentation**

All source documents (originals or certified copies) will be maintained by Grantees, with copies of relevant evidence submitted requests to support claims.

Key evidence to be held by Grantees will include:

1. Staff timesheets
2. Payroll information for relevant staff
3. Hourly rates calculations
4. Purchase orders, invoices, QS certificates, transaction processing documentation
5. Procurement/value for money documentation
6. Asset register (as applicable)

**Highlighting Issues and Reporting**

The Joint Committee Programme Management Officer and Programme Compliance Officer will notify any issues identified during relevant visits with the Programme Manager. An audit dashboard will be produced annually and reported to the Working Group. All material issues during each year will be reported to the Accountable Body Working Group and where applicable an agreed method of escalation to relevant parties/boards.

Where supporting evidence for financial or outputs claims is insufficient or not available at the time of the visit, a period of time will be given to allow the Grantee to collate and/or review evidence/documentation. If evidence is not satisfactorily provided within this timeframe it will be treated as an ineligible for inclusion within the programme and an adjustment made to remove this from the next claim.

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## Figure 1: Project Visit Audit Framework

### Engagement Visit (EV)

All projects are offered an engagement visit, excluding Site Investigations or Development projects, and include:

1. Our role as Accountable Body
2. Project File and Document Retention
3. Future Data Sharing
4. Publicity and Branding
5. Completion of Claim
6. Financial evidence
  - a. Grant
  - b. Match
7. Required Output evidence
8. Output reporting requirements
9. Progress and milestones evidence/reporting
10. Future visits
  - a. Monitoring and compliance visit
  - b. Project closure visit
11. Issues/Risks/Queries

### Development Guidance (DG)

Development Guidance is sent to Site Investigations and Development grantees, or where a project has declined the offer of EV, e.g. where they have previously received LGF funding.

The guidance includes information regarding

1. Document retention and Data Sharing
2. Financial Evidence
3. Milestone Evidence (project specific)
4. Future Visits
5. Recommended Documentation to be included in LGF Project file

### Monitoring, Compliance and Audit Visit (MCAV)

1. Project file including asset register where applicable.
2. Verification of claimed expenditure (minimum 20% sample)
  - a. Grant
    - i. Source documentation (invoices, payroll, etc.)
    - ii. Procurement/ best value
  - b. Match
    - i. Source documentation
3. Verification of milestones claimed
4. Verification of claimed outputs (minimum 20% sample)
5. Contract variations
6. Issues/Risks/Queries
7. Re-profiling

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**Project Closure Visit (PCV)**

All projects where relevant (excluding development projects)

1. Project evidence
  - a. Grant Agreement
  - b. Project variations/changes
  - c. Claims and supporting evidence
  - d. Outputs and supporting evidence
  - e. Asset Register
  - f. Document retention/storage
  
2. Issues/Risks/Queries

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