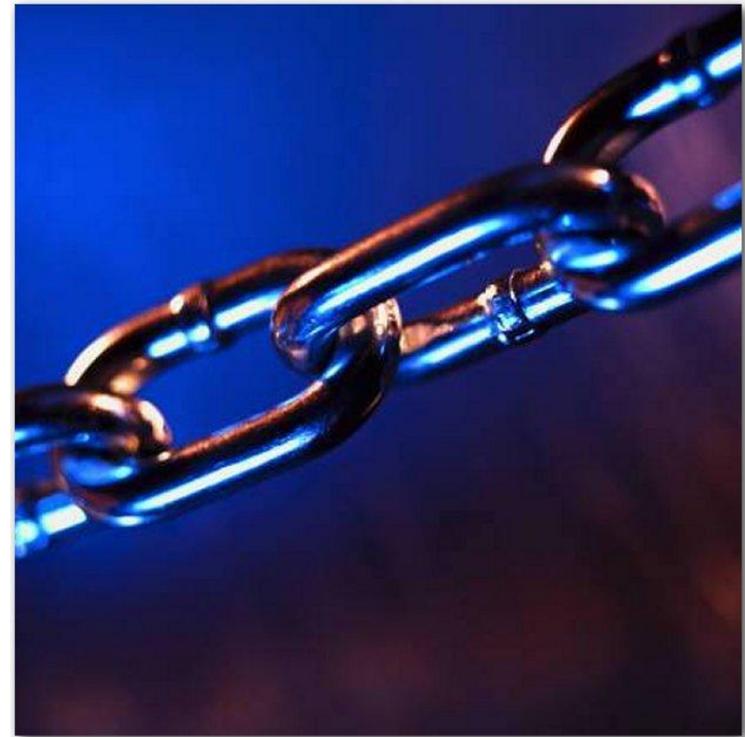


cw audit services

Oadby & Wigston Borough Council

Internal Audit
Progress Report 2015/16

March 2016



1. Introduction

This report summarises the work of Internal Audit for the period to mid-March 2016. The purpose of the report is to update the Committee on progress made in delivering the 2015/16 audit plan and to update in relation to management's implementation of internal audit recommendations..

2. Progress summary

The agreed internal audit plan for the 2015/16 year totals 254 days. Section 5 provides details of all of the audit assignments included in the 2015/16 year, together with details of the point in the year at which each assignment was planned for delivery and an update on the current position. The Committee has been advised previously of the rescheduling to the latter part of 2015/16 of various audits, and Section 5 reflects current proposed amended timings.

3. Reviews completed

The following reviews have been completed and final reports agreed with management since the last meeting of this Committee.

Review	Status	Level of assurance
Capital Projects 2014/15 (project management)	Final management briefing report issued	Moderate
Housing Rents 2014/15	Final report issued	Moderate
Refuse & Recycling VFM 2014/15	Final management briefing report issued	N/A - Advisory
Safeguarding	Final management briefing report issued	N/A - Advisory
Depot - Income Systems and Asset Controls	Final management briefing report issued	N/A – Advisory

Review	Status	Level of assurance
Main Accounting (General Ledger)	Final report issued	Significant
Members Allowances	Final report issued	Full

At the request of the Committee at its February 2014 meeting, and as subsequently agreed with the Chair of this Committee, to ensure members are provided with further detail only on issues which may warrant their concern, we only report specific findings, recommendations and agreed actions arising from our audits where these relate to matters we deemed to be high risk/priority. The following such issues were reported in relation to the above audits.

Main Accounting (General Ledger)

System Control Objective 3: Access to system functions is restricted to authorised personnel and the security and integrity of the system is maintained.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
3.2 Leaver's access to Council's IT system	<p>If a user is denied access to the Council's main ICT system (domain accounts) they would not be able to access Integra. Also inactive domain accounts are automatically disabled after 30 days.</p> <p>We selected a sample of five leavers for the year to November 2015 and requested the outsourced IT department to confirm that the leavers had been deactivated in a timely manner from the Council's main IT system and based on an appropriate authorised request. Despite three requests at the date of reporting accurate information to confirm our request has not been obtained.</p>	<p>Potential for inappropriate access to Council ICT systems.</p> <p>Potential for adverse actions to/on the Council's ICT system.</p> <p>Poor service from Council's IT provider.</p>	2	The Council should seek assurance from its IT provider that all employees who leave are deactivated in a timely manner from the Council's main IT system, based on appropriately documented and authorised requests from management.	ICT to co-ordinate with Human Resources to identify when officers leave the employment of the authority to ensure they are deactivated in a timely manner.	<p>Paul Langham ICT Manager</p> <p>Karen Pollard Interim Head of Corporate Services</p>	Immediately

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
3.3 Contingency Planning – Finance Department	The Council's IT Manager confirmed that there is a council wide Contingency / DR plan but that it is not finance system/service specific. Initial discussions with the Principal Accountant and Financial Services Manager confirmed that they are not aware of any business continuity plan for the Finance Department and how that would link to the Council wide Contingency / DR Plan. However after enquiries they found that Finance functions are included in the 'Business Continuity Plan 2012'.	Key staff may be unsure of procedures/ responsibilities in an emergency.	2	It should be ensured that the Principal Accountant and Business Services Manager confirm with the IT Manager their distinct responsibilities in the event of an emergency, to ensure business continuity in the Finance Department. A separate local business continuity plan could then be produced for guidance to finance staff. (This recommendation may also be applicable to other service areas).	Finance functions are included in the 'Business Continuity Plan 2012' which now requires updating.	Avril Lennox Emergency Planning Lead	30 June 2016
		Loss of business continuity.			ICT will update its own contingency plans to include robust proposals for restoration of Finance Systems	Paul Langham ICT Manager	31 March 2016

Housing Rents

(NB this review was completed and a draft report issued in October 2015. The response received in full in March 2016, refers to progress made on various areas in the intervening months. The information below needs to be read in this context.

System Control Objective 3: Arrangements to deal with arrears comply with policy and ensure efficient recovery of outstanding sums.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
3.2 Orchard system	<p>Staff currently in post are seeking to take appropriate recovery action on arrears but are hampered by the current sub-optimal configuration of the rent system, Orchard. The system does not generate prompts to take action in line with the arrears procedure. The system is also not generating prompts for action in line with the next logical step of its own stages. For example, the system does not currently recognise that a Notice Seeking Possession lasts for 12 months and if accounts are cleared and then arrears starts again within 12 months the recovery process should pick up from where it left off. As configured, the system defaults back to letter 1.</p> <p>To manage arrears currently, a manual report is run from the system by the Community Housing Team Leader, who extracts information on accounts.</p> <p>Because arrears were not being chased as effectively as may be desirable in the recent past (see below), officers are sometimes not able to take tenants with arrears to court as there is no evidence that the Council has been working with tenants on arrears levels as required.</p> <p>New tenants have an introductory tenancy period which allows fast track eviction, however the rent system has not been set up to enable fast track eviction to take place as that part of the system database has not been set up properly.</p>	Arrears management becomes an inefficient manual process. Introductory tenancies cannot be monitored effectively.	2	A review of the current operation of the Orchard system should be undertaken. The implementation of the system should be compared to that for other authorities and a re-configuration or purchase of additional modules considered to improve the effectiveness of the system to enable compliance with arrears procedures and introductory tenancies.	<p>This is accepted by the Council. A review of the Orchard system in respect of rent accounting and arrears has begun in December 2015.</p> <p>The review will involve redrafting/streamlining of the rent charging and arrears recovery processes and will establish a framework for performance reporting and monitoring. Also the draft revised processes will be compared/benchmarked against two other local housing providers who use Orchard as their rent and tenancy management system: Hinckley & Bosworth Council & East Midlands Housing Group</p> <p>A timetable for carrying out the necessary "critical" changes to the rent charging and arrears recovery processes, together with costs in engaging Orchard Consultancy services will be agreed and where possible implemented by the end of April.</p> <p>Further on-going improvements/changes will be scheduled in for completion during 2016-17 financial year.</p>	<p>Community Housing Team Leader</p> <p>Income Officers</p> <p>Systems Support Coordinator</p>	June 2016

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
<u>3.7 Current Tenant Rent Arrears</u>	In the last year and a half (prior to this audit), current tenant rent arrears has increased by 66%, from £136,256.98 in April 2014 to £226,374.76 in September 2015.	Lack of effective arrears management can result in financial loss to the Council.	2	Officers should ensure arrangements in place allow for appropriate management of current tenant arrears.	As a result of the actions described in 3.6 above Rent arrears have reduced from their peak of £252K in July down to £176K currently and is expected to fall further by the end of the financial year.	Community Housing Team Leader Income officers	Ongoing

System Control Objective 4: Access to system functions is restricted to authorised personnel and the security and integrity of the system is maintained.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
<u>4.1 System administrator access to the rent system</u>	Only one member of staff has system administrator access to the Orchard system. If she is on holiday no one can set up new staff or undertake some administrative functions required for the correct operation of the system.	New staff may not be able to access the system, essential administrative tasks may not be performed.	2	Additional staff without housing rent duties should have system administrator access to enable the continued effective operation of the service in the event of staff absence.	This is accepted by the Council. Arrangements have been made for an additional member of staff to have administrator access and training is being arranged.	Community Safety Manager	April 2016

We also highlighted 2 'high risk' issues in relation to aspects of capital project management in our capital projects review; we have agreed with management that given the commercial aspect of the issues involved it would be inappropriate to include these in a public agenda document.

4. Recommendation tracking

We provide a system for tracking the actioning of agreed Internal Audit recommendations, as a management assurance tool for the Council and specifically this Committee. Managers are responsible for updating actions taken and other key information directly on the system. An update for the Committee was provided below for its meeting in February 2016. This referred to all relevant actions agreed and due by 31/12/15. The analysis provided for that meeting is reproduced below. The first table represents the status of agreed actions due to be implemented by that date, the second table the age of the outstanding recommendations (based on the original date due for implementation). The status shown at that time was as advised by the relevant manager/Head of Service and did not imply that Internal Audit had verified the status.

Summary	1 Critical	2 High	3 Medium	4 Low	Total
Due by 31/12/2015	-	24	170	61	255
Implemented	-	15	134	56	205
Closed (effectively implemented or system changed)	-	-	3	2	5
Still to be completed	-	9	33	3	45

Time overdue for actions o/s or not complete	1 Critical	2 High	3 Medium	4 Low	Total
Less than 3 months	-	-	2	-	2
3 – 6 months	-	1	5	1	7
Greater than 6 months	-	8	26	2	36
Total	-	9	33	3	45

As a result of concerns expressed by members and senior management as to the adequacy of the current reported status relating to the 9 level 2 outstanding recommendations and 26 level 3 recommendations outstanding for greater than 6 months, we were asked to provide an independent assessment of progress with these recommendations. To do this we have met and discussed progress with relevant staff and obtained supporting evidence as necessary. Our findings are summarised in the table below with narrative detail provided for each recommendation provided below that.

Summary	1 Critical	2 High	3 Medium	Total
Due by 31/12/2015	-	9	26	35
Implemented	-	2	4	6
Closed (effectively implemented or system changed)	-	-	-	-
Not Implemented	-	-	3	3
Still to be completed – Work in progress	-	7	19	26

In future, managers will continue to be responsible for ensuring the status of all agreed actions are updated on the recommendation tracking system.

'High Risk' outstanding issues

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
13/14 Health & Safety	<u>Policies and Procedures</u>	2	<u>Audit Conclusion - Work in progress</u> The Health and Safety Officer appointed in December 2015, informed

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	<p>The Council should approve and make available to members and staff all required health and safety policies and procedures as a matter of urgency taking into account the impact of recruiting a new officer. During the recruitment process consideration should be given to setting up a temporary officer contact for providing members and staff with guidance and assistance on health and safety issues affecting them at the Council.</p>		<p>all staff members of his role by email in January 2016 in creating and implementing health and safety policies and procedures in accordance with the latest legislation Members will be informed of his role and health and safety issues relating to them at a Health and Safety / Equalities briefing being planned for 26 April 2016.</p> <p>He has revised the Health and Safety Policy and this will be submitted for approval at the Policy, Finance and Development Committee on the 29 March 2016.</p> <p>This document will then be made available to all officers and members as soon as practicable either in hard copy or through the intranet. The Lone Working Policy is currently being worked on by the Welfare and Taxation Manager (who is leading on this) and input will be obtained from other service areas in the council to which this policy is particularly pertinent eg Housing and Environment Control.</p> <p>The Fire Safety Policy will be revised after a Fire Safety Evacuation Procedure is completed. The Interim Manager of Corporate Services confirmed that the Council commissioned an external expert to produce a fire risk assessment on Bushloe House. There were no 'red' alerts (serious faults). The findings will inform the areas of the fire safety procedure and policy review.</p> <p>These documents will be completed by the end of May 2016.</p> <p>The Health and Safety Policy makes reference to a number of areas (eg working at heights) where the assessed risk will be prioritised to allow for the drafting of related local procedures which will be added as appendices to the policy. There are currently 12 appendices to the original policy. It is envisaged that this exercise could take up to two years to complete.</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
			Paul Evans Health & Safety Officer Various implementation dates as stated above.
13/14 Health & Safety	<u>Training & awareness</u> It should be ensured that a documented training needs assessment for all members and staff which corresponds to their roles and responsibilities is produced as a matter of urgency in order that appropriate training can be identified and linked with current training arrangements to ensure that appropriate health and safety training is provided to all staff and members who need it in a timely manner.	2	<u>Audit Conclusion - Work in progress</u> Members will be informed of safety issues relating to them at a Health and Safety / Equalities briefing being planned for 26 April 2016. A detailed assessment of staff training needs will be compiled following staff appraisals planned for May 2016, and this will include Health and Safety awareness training which was last carried out for all staff in 2013 but in the meantime the following has been implemented: <ul style="list-style-type: none"> • A programme of training has been implemented within the last six months, consisting of: <ul style="list-style-type: none"> ○ First Aid at Work Training ○ Fire Awareness for potential Fire Wardens ○ Manual Handling – for relevant staff ○ Sharps training – for relevant staff • Fire Warden training was carried out for a number of volunteer staff in September 2015. • First Aid at Work training was carried out in October 2015 for Customer Services staff and also refresher training in January 2016. • A revised health and safety induction programme has been introduced in February 2016. • Display Screen Assessments have commenced in a number of service areas. Paul Evans Health & Safety Officer Ongoing
13/14 Health & Safety	<u>Risk assessments</u> It should be ensured that health and	2	<u>Audit Conclusion - Work in progress</u> Risk Assessments for two high risk Council areas, the Depot and Brocks Hill were carried out around mid 2015 and will require re-

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	<p>safety risk assessments are accurately completed for all areas of the Council as a matter of urgency and the results are used to inform relevant safety action plans and risk registers.</p>		<p>assessing later this year. Details of these are on the Council's F Drive. Other potential high risk areas are being identified for direct risk assessments by the H&S Officer eg the Customer Services Centre on Bell Street. A risk assessment was carried out for staff and customer safety. As a result of that, CCTV is being installed as a deterrent and to keep the environment safe.</p> <p>These assessments used to inform safety action plans and or risk registers. This is an ongoing process.</p> <p>An in-house programme of risk assessment training by the Health & Safety Office for line managers and supervisors will be implemented in 2016/2017 in order for risks to be identified and mitigated with the correct control measures.</p> <p>Paul Evans Health & Safety Officer Ongoing</p>
<p>13/14 Health & Safety</p>	<p><u>Resources</u> It should be ensured that sufficient resources are dedicated to achieving compliance with statutory health and safety regulations as soon as possible. Staffing resources should be made available to ensure the completion of the recommended actions at 1.1; 2.1 and 3.1 above, and to price the equipment needs as presented to SMT in January 2014 so that these can either be approved or alternative solutions found.</p>	<p>2</p>	<p><u>Audit Conclusion - Implemented.</u> Resources are now in place, in the form of the dedicated Health & Safety Officer, who has now commenced work on the:</p> <ul style="list-style-type: none"> • Health and Safety Group, where issues will be considered by staff and union representatives (Draft TOR obtained). There is a meeting of the group scheduled for 23 March 2016. It is intended at the moment that minutes of the meeting will go to SMT. • Arranging of training in the high risk areas (See above) • Programming of risk assessment training and implementation (See above). <p>Equipment, principally in the form of first aid, has been ordered.</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
14/15 Void Property Management	<p><u>Void Turnaround</u></p> <p>a) The void property spreadsheet should be amended to calculate void turnaround times and this should be regularly monitored so that any actions required to address performance issues can be taken promptly.</p> <p>b) Reasons for unavoidable overruns should be recorded for future reference.</p>	2	<p><u>Audit Conclusion – Implemented</u></p> <p>The Void Property Spreadsheet now has a column which allows for the calculation of void turnaround times. There is a Column “Notes” where discrepancies can be noted for monitoring and discussion at the recently introduced weekly meetings as detailed below.</p> <p>A weekly meeting of staff members including the Property Manager and the Housing Team Leader who are involved in void property management has been introduced from 25 January 2016. The meetings are not minuted but the Housing Team Leader issues an A3 print of the latest Void Property spreadsheet to each person attending the meeting, having highlighted missing information (for example) and each member of staff makes notes for action on their respective sheets.</p> <p>The Interim Head of Community has confirmed that the reduction of void turnaround times is one of his key performance measures.</p>
14/15 Void Property Management	<p><u>Budgetary Control</u></p> <p>Management should set and monitor the costs being incurred in relation to void properties and actions taken to minimise these.</p>	2	<p><u>Audit Conclusion –Work in progress</u></p> <p>The Property Manager stated that an exercise to identify costs solely due to relets (for all relets during 2015/16) is currently underway with assistance from the service accountant in the Finance Section as capital costs and relet costs have been combined during the year and therefore need to be separated out. It is expected that this exercise will be completed by the end of April 2016 and this information will then be used for monitoring to identify areas where costs can be reduced. He further stated that quotes are obtained for repairs to all void properties and these can be based on schedule of rates and agreed hourly labour rates, agreed special works where likely to be higher than these eg extra cleaning for very dirty properties, and, quotes from contractors doing Council capital programme works. This provides a basis for monitoring against when the work contract is awarded.</p> <p>John Stemp – Property Manager 30 April 2016</p>
14/15 Debtors	<u>Aged Debt Analysis – Regular Review</u>	2	<u>Audit Conclusion –Work in progress</u>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	<p>It should be ensured that aged debt reports are run monthly and reviewed by management and appropriate action taken to recover debts, including referral to the council's bailiffs and Legal Services Team if appropriate. Evidence should be retained to confirm this. Periodic reports should be taken to the PFD Committee detailing what the analysed debts levels are and what action is being taken to recover debts. This could be done together with the intended introduction of quarterly debt write off reports to the PFD Committee.</p>		<p>The Interim Accountancy Manager has confirmed that the delay has been due to operational reasons and that:</p> <ul style="list-style-type: none"> • Aged debt reports will be run monthly and service specific aged debt reports will be sent to service heads for review and confirmation by service management of action being taken to recover debts, including referral to the council's Legal Services Team and bailiffs if appropriate. Evidence will be retained to confirm this. • Periodic reports will be taken to the PFD Committee detailing what the analysed debts levels are by service area and what action is being taken to recover debts (as notified to Finance by services). This will be done together with the introduction of quarterly debt write off reports to the PFD Committee. <p>Chris Raymakers 30 June 2016</p>
<p>14/15 Street Cleansing & Grounds Maintenance</p>	<p><u>Key Service Risks</u></p> <p>It should be ensured that all the risk assessments identified by Audit and/or due for review are reviewed in a timely manner. Additionally new risks to the service should be identified and assessed. Based on the evaluated risks rating undertaken as part of these risk assessments (reviews and additionally identified risks), key service risks should be identified and included in a Risk Register which should then be kept</p>	<p>2</p>	<p>See Response provided for Health and Safety - Risk Assessments above.</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	under constant review.		
13/14 Equalities	<p><u>Equality Impact Assessments – not being completed</u></p> <p>An EIA should be completed for all Council Policies and Procedures as outlined in the EIA Guidance Notes</p>	2	<p><u>Audit Conclusion –Work in Progress</u></p> <p>The Interim Manager of Corporate Resources confirmed that there is a folder on the Council’s F Drive in which all Council policies are stored. She stated it is the responsibility of report authors to keep them up to date but due to the level of staff turnover and the absence of key officers across the council in 2015, no one officer can confirm that the folders are up to date. Further she will be raising this matter at the managers meeting on 14th March 2016 to find a way of keeping the library of polices up to date, to ensure that they have equality assessments completed.</p> <p>A spreadsheet of council policies is now retained by the Community Engagement Officer. A separate one without authors names will be placed on the internet. This will be reviewed quarterly to ensure that all policies have up to date EIAs undertaken.</p> <p>Karen Pollard Interim Manager of Corporate Resources Veronika Quintyne Community Engagement Officer Ongoing</p>

Medium (level 3) risks outstanding for over 6 months

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
13/14 Equalities	Council's Website – Equality & Diversity:	3	<p><u>Audit Conclusion - Implemented.</u></p> <p>The Council’s Webpage “Equality & Diversity” lists the following</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	The Council's website should be updated to make reference to the approved Equality & Diversity Agenda, July 2013		<p>documents in pdf format.</p> <ul style="list-style-type: none"> • The Equality and Diversity Agenda • Equality and Diversity Action Plan <p>The Interim Manager of Corporate Resources stated that the current Equality Agenda is from 2013 to 2017 and will be updated at that time.</p>
13/14 Equalities	The Equality and Diversity Agenda – Specific and Measurable Targets: Targets should be set for each measurement. These should be specific, measureable, relevant and timely. E.g. by June 2015 95% of all staff and members attend appropriate equality and diversity training.	3	<p><u>Audit Conclusion – Work in Progress</u></p> <p><u>Staff</u></p> <p>A training programme relating to Equality Assessments for staff who write reports for committees (including policies and procedures) is set for the 5th, 7th and 14th April 2016.. This training will be provided by the Council's Community Engagement Officer. This should then allow these staff to set specific and measurable targets for their areas of operation.</p> <p><u>Members</u></p> <p>A briefing session has been arranged on 26th April 2016. This will cover both Health and Safety and Equality and Diversity.</p> <p>The Interim Manager of Corporate Resources also stated that the Framework for Equalities which is a measure of the Council's implementation of equality and diversity by addressing the 9 protected characteristics is being developed by the Community Engagement Forum with the first draft to be completed by September 2016.</p> <p>Veronika Quintyne Community Engagement Officer Service Area Heads Community Engagement Forum Ongoing</p>
13/14 Equalities	Compliance with the Equalities Act 2010 should monitored by an	3	<p><u>Audit Conclusion –Work in progress</u></p> <p>The Interim Manager of Corporate Resources stated that the HR team</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	appropriate body within the Council and progress should be reported to, and approved by an appropriate Committee.		will be collecting and publishing the equality data around the 9 characteristics of equality data. Reporting on this and reporting on performance against the council's 5 equality objectives will be to the PFD Committee. Veronika Quintyne Community Engagement Officer March 2016 & September 2016
13/14 Equalities	To comply with the legislation the Council should consider enhancing the type of information presented in its workforce profile to include a profile of staff at different grade, levels and rates of pay, including part-time work etc	3	<u>Audit Conclusion – Work in progress</u> The Interim Manager of Corporate Resources stated that the HR team will be collecting and publishing the equality data around the 9 characteristics of equality data for its workforce. The data will be available from September 2016 and will be published from September 2017 onwards. Veronika Quintyne Community Engagement Officer September 2016
13/14 Equalities	The relevant data should be collated and progress against the measures for the equality objectives should be reported on a timely basis.	3	<u>Audit Conclusion –Work in progress</u> The Interim Manager of Corporate Resources stated that the Community Engagement Officer will be reporting to the next PFD meeting on performance against the council's 5 equality objectives. Veronika Quintyne Community Engagement Officer March 2016
14/15 Void Property Management	The draft Void Procedures should be finalised, approved and formally issued to staff as soon as possible, particularly given the temporary nature and recent turnaround of staff.	3	<u>Audit Conclusion –Work in progress</u> The Void Procedures are currently under review. The Property Manager confirmed that the Housing Team Leader is currently making some amendments to the current procedures to reflect changes that have taken place (e.g. staffing and responsibilities and

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
			improvements to processes to drive better performance). This reviewed document will then be agreed by relevant managers at a weekly voids meeting to ensure it is issued before the end of March 2016 and start of new financial year. Chris Welford (Housing Team Leader) 31 March 2016
14/15 Void Property Management	The (void property monitoring) spreadsheet should be completed fully for monitoring purposes.	3	<u>Audit Conclusion – Implemented</u> This is an ongoing process now driven by the recently introduced weekly void property management meetings. Efforts to fill historic gaps in information are also being made where practical and effective to do so.
14/15 Void Property Management	Void Inspection and Record Forms should be fully completed for each property and retained.	3	<u>Audit Conclusion – Implemented</u> The Inspecting Officer currently completes and retains a Void Inspection and Record Form for each property within the individual property pack.
14/15 Void Property Management	a) The void property spreadsheet should include the date of the inspection. b) Notes should be included on the spreadsheet giving reasons for any unavoidable delays. c) The time between the keys being handed in and the inspection should be monitored.	3	<u>Audit Conclusion – Implemented</u> (a) The Void Property spreadsheet has the date of inspection recorded and this should agree to the date of inspection on the Void Inspection and Record Form. (b) The “Notes” column on the spreadsheet allows for unavoidable delays to be recorded for monitoring at weekly meetings. (c) The Property Manager confirmed that this is being done and in some cases inspections are being arranged before keys are handed in to reduce relet times. Also being monitored at weekly meetings
14/15 Void Property Management	a) The voids spreadsheet should record post inspection dates. b) The Orchard system should show that post inspections have been carried out before contractors are	3	<u>Audit Conclusion- Work in progress</u> a) The voids spreadsheet records post inspection dates. Weekly monitoring meetings are requiring continuous retrospective completion of this column where necessary. b) The Orchard system still does not show that post inspections have

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	paid.		<p>been carried out before contractors are paid. The ability to add this information to the Orchard System will be examined. In the meantime it was agreed with the Property Manager that the contractor invoice will have to be authorised by the Inspecting Officer to confirm there are no issues affecting payment as a result of the post inspection, before the invoice is paid.</p> <p>John Stemp – Property Manager 31 March 2016</p>
14/15 Private Sector Housing/Disabled Facilities Grants	It should be ensured that when the Private Sector DFG Policy is reviewed, clear and accurate information is included relating to the criteria for prioritising applications.	3	<p><u>Audit Conclusion- Work in progress</u> The Private Sector DFG Policy is due for a complete review and approval by the Service Delivery Committee and this point will be addressed in the reviewed version. It is intended that the reviewed version will be taken to the SDC in June 2016 for approval.</p> <p>John Stemp – Property Manager 30 June 2016</p>
12/13 Risk Management	An exercise should be undertaken to review all existing partnerships and projects to establish what risk registers are currently in place. A review should then take place to standardise the format of partnership and project risk registers and ensure that all partnerships and projects maintain such registers.	3	<p><u>Audit Conclusion –Work in progress</u> The Interim Accountancy Manager has confirmed the work is ongoing but due to operational reasons has been delayed</p> <p>Chris Raymakers Revised date 30 June 2016.</p>
12/13 Risk Management	Priority should be given to identifying and implementing a bespoke Risk Management IT package that will allow the Council to develop from a process driven risk management	3	<p><u>Audit Conclusion –Work in progress</u> The Interim Accountancy Manager has confirmed the work is ongoing but due to operational reasons has been delayed.</p> <p>Chris Raymakers</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	function to one that is fully embedded.		Revised date 30 June 2016.
13/14 Budgetary Control	Budget holders – training attendance: It should be ensured that all budget holders and other staff with budgetary responsibilities attend budget training sessions.	3	<u>Audit Conclusion –Not implemented</u> Still outstanding. Issue being reported in the Internal Audit Budgetary Control / MTFS 2015/16 Report. Report in draft at present.
14/15 Budgetary Control/MTFS	a) It should be ensured that there is robust and regular monitoring of the capital programme to ensure that the approved amounts are expended as intended in the 2014/15 financial year, and carry forwards are only considered where no other suitable alternatives are available. b) The forecast capital spend should be reviewed again if necessary to reflect likely level of outturn.	3	<u>Audit Conclusion –Work in progress</u> The Internal Audit Budgetary Control / MTFS 2015/16 review confirmed that monitoring has been taking place and a request for the carry forward of some budgets was approved by the PFD Committee in February 2016. The Interim Accountancy Manager has confirmed that more monitoring will continue post year end to ensure that any requests to the PFD Committee in July 2016 to carry forward budgets into 2016/17 are absolutely necessary and accountants will work with departmental project teams to achieve realistic targets for the year. Chris Raymakers 31 July 2016
13/14 Main Accounting	It should be ensured that the Council's Communication Technology and Disaster Recovery Plan is fully reviewed and tested to confirm its suitability for purpose.	3	<u>Audit Conclusion –Not implemented</u> Still outstanding. Issue being reported in the Internal Audit 2015/16 Main Accounting Report Level 2. Chris Raymakers Revised March 2016 & June 2016 implementation dates.
14/15 Main Accounting	Prompt removal of leavers from financial systems access: a It should be ensured that HR provide timely notification of leavers to	3	<u>Audit Conclusion –Work in progress</u> The Interim Accountancy Manager has confirmed that Finance would co-ordinate with Human Resources to identify when officers leave the employment of the authority. He expected the movement of agency staff on to permanent contracts will greatly facilitate this once it has

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	<p>the IT provider to assist with the prompt removal of leavers from the domain accounts.</p> <p>b) The IT provider should delete all leavers in a timely manner upon notification from HR.</p>		<p>been completed and regular meetings with HR commence. This should then ensure that the IT provider is notified of such leavers in a timely manner to remove them from the Council's system and to confirm such action to HR / Finance in a timely manner.</p> <p>Chris Raymakers/Karen Pollard 30 June 2016</p>
14/15 Creditors	<p>Mismatch report analysis (re invoices which do not match the purchase orders to which they relate):</p> <p>Management should review the matter further to determine if there is an underlying ongoing problem in the service areas identified relating to staff awareness of/compliance with ordering procedures. Appropriate action should be taken to resolve the matter.</p>	3	<p><u>Audit Conclusion –Work in progress</u> The Interim Accountancy Manager has confirmed the Integra upgrade completed February 2016 should resolve these issues. He stated that monitoring will be undertaken to confirm the resolution of issues.</p> <p>Chris Raymakers 30 June 2016</p>
11/12 Corporate Governance: Tenon review-Pest Control service review	<p>a) Management should report the financial benchmarking data that compares the service to other local Authorities in Leicestershire to the Senior Management Team and the Service Delivery Committee.</p> <p>b) Management should also undertake a value for money review of the Pest Control Service to ensure that the Council is managing this area in the most economic and effective manner.</p>	3	<p><u>Audit Conclusion –Work in Progress</u> Pest Control income was considered and included as part of the 2016/17 budget setting process and included in the PFD Committee approved Fees & Charges for 2016/17. The cost to benefits of the provision of this service will be kept under review for the first half of the 2016/17 financial year and a paper will be taken to the PFD Committee in October 2016 when the proposed Fees & Charges for 2017/18 will be taken for approval, recommending discontinuing the service if this is deemed necessary.</p> <p>Stephen Glazebrook Interim Community Manager October 2016</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
12/13 Building Control	<p>Management should consider</p> <p>a) review and cleansing of system data to ensure all data is up to date and as accurate as possible</p> <p>b) visiting a small sample of higher risk sites where no inspections have been carried out as work has not been reported as started, to ensure this position is accurate. Taking any necessary steps to regularize matters where b) identifies unreported and thus uninspected works.</p>	3	<p><u>Audit Conclusion –Work in Progress</u></p> <p>(a)The Interim Planning & Building Control Manager stated a meeting to discuss and agree the process and timing of the first phase of the data cleansing exercise is scheduled with IDOX for early April 2016. This should result in the agreement of the various phases required (timing and process) to get the exercise completed.</p> <p>(b) The Interim Planning & Building Control Manager stated the reported finding is no longer an issue – the service is not attempting to “capture” BR applications that have now expired or been completed. He stated that the team does write inviting the applicant to apply for a final inspection and Completion Certificate in all such cases. However many do not respond when asked and it is only later when (say) a future purchasers Solicitor seeks such a Certificate that the issue re-emerges.</p> <p>Tony Boswell Interim Planning & Building Control Manager April 2016</p>
13/14 Legal Services/Corporate Legal Compliance Arrangements	<p>New, Amended and Revised Statutory Duties, Powers and Legal requirements: Action should be taken to ensure that legislative and other changes are addressed by the Council on a timely basis and can be implemented for the date that such changes come into force.</p> <p>The Council's website should be updated to include accurate information on changes to legislation.</p>	3	<p><u>Audit Conclusion –Work in Progress</u></p> <p>The Director of Services confirmed that the future programme of planned legislative changes will be kept under review to ensure that any which will/ may impact on the Council and its activities are identified and the likely impact assessed, implemented and communicated as appropriate to ensure timely compliance.</p> <p>Anne Court Director of Services Immediate</p>
14/15 Street Cleansing and	Efficient working: It should be ensured that	3	<p><u>Audit Conclusion – Work in Progress</u></p> <p>Purchase of equipment will continue demonstrate the consideration of</p>

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
Grounds Maintenance	consideration is given to the maximisation of the efficient and effective use of staff and equipment (including procurement) across the Clean and Green Team and other Council Teams.		efficiency issues eg the purchase of refuse trucks for approximately £1m in the last financial year. Efforts have been made to harmonise the working contracts for staff in the Clean and Green Team and Refuse and Recycling Team with direct input from the HR Team but this has stalled at the moment. Efforts will be made to progress this issue. Brian Kew, Operations Manager Ongoing
14/15 Street Cleansing and Grounds Maintenance	Key risks: staff training: It should be ensured that training records are maintained to confirm that all staff in the Clean and Green Team are receiving appropriate training to carry out their duties.	3	<u>Audit Conclusion – Work in Progress</u> Staff are being provided with training – see Health & Safety Training and Awareness above. A training matrix with staff training, specialist training, qualifications and licences eg HGV is still currently under development. Brian Kew, Operations Manager September 2016
14/15 Street Cleansing and Grounds Maintenance	Cleanliness Service Standards – Targets: The Council should introduce specific cleaning performance targets for monitoring and reporting against.	3	<u>Audit Conclusion – Work In Progress</u> All staff have been trained on the Cleanliness Standards A – D previously used in NI195. All areas are to be restored to the A standard after being visited. Areas are subject to spot checks by foremen/supervisors. A reporting mechanism on performance has not yet been devised due to current lack of resources. Brian Kew, Operations Manager Ongoing
14/15 Street Cleansing and Grounds Maintenance	The specific responsibilities for dealing with dog fouling and flytipping within each of the Clean and Green Team and the Environmental Health Team should be clearly defined	3	<u>Audit Conclusion – Work In Progress</u> Specific responsibilities for each team will be defined, documented and implemented through the corporate wide Enforcement Team meetings. David Lingard

Review	Recommendation	Risk Rating	Current position as confirmed by Audit
	agreed and documented for reference.		Community Safety & Tenancy Manager June 2016
14/15 Street Cleansing and Grounds Maintenance	<p>Service Requests – Review & Monitoring: All the default notices for public requests recorded on the Contender System or received via email should be completed by the operative to confirm that it has been actioned successfully, with the time and date recorded when it was actioned. The name of the operative should be recorded to identify them. The completed default notice should be returned to the Depot as soon as practically possible and reviewed by a foreman before it is closed it on the Contender System or filed away in the case of an email request.</p> <p>On a quarterly basis the time to action all public requests received should be analysed to determine whether the 4 hour target is being met and to investigate any anomalies.</p> <p>Periodic reports on the number of requests received and successfully dealt with during the 4 hour time target should be provided to senior management.</p>	3	<p><u>Audit Conclusion – Not Implemented</u></p> <p>The Customer Services Team at Bell Street now receive and input public requests on the Dash System to which the foremen at The Depot have access. Such requests generate an action report which is printed by the foremen and issued to operatives to deal with (within 4 hours for emergencies).</p> <p>On completion of the task the action report is completed by the operative to confirm the time the matter was resolved and returned to the foremen to close the request on Dash.</p> <p>Due to current lack of resources, monitoring of performance against the 4 hour target has not been possible.</p>

5. 2015/16 Internal audit plan

Review	Scheduled Start*	Status	Level of assurance
Budgetary Control/Medium Term Financial Strategy	January 2016	Draft report issued	
Main Accounting	January 2016	Final report issued	Significant
Financial Systems – key controls review	January 2016	In progress	
Risk Management and assurance	March 2016	Scoping	
Strategic Procurement / Shared Services / Service Review – VFM / Income Generation – Fees and Charges	In progress – fee and charges review	In progress	
Building Control VFM	March 2016	Scoping	
Environmental Health/Licensing/Land Charges	Agreed to be dropped to resource additional follow up work for this Committee, reported above.		
Payroll & Expenses	March/April 2016	Scoping	
Human Resources	March/April 2016	Scoping	
Legal Services/corporate legal compliance arrangements	March/April 2016	Scoping	
Members allowances	January 2016	Final report issued	Full
Council Tax	October 2015	Final report issued	Significant
Business Rates	October 2015	Final report issued	Significant

Review	Scheduled Start*	Status	Level of assurance
Benefits	October 2015	Final report issued	Significant
Benefit Fraud Investigation	October 2015	Final report issued	Significant
Housing Repairs & Maintenance	April 2016	Scoping	
Safeguarding - Children & Young People	Late July 2015 start	Final (management briefing) report issued	N/A - Advisory
Voluntary Sector / Grant aid	Dropped from plan to resource agency staffing-pre-employment checks review		
Housing Landlord services	April 2016	Scoping	
Community Safety/Anti-Social Behaviour	October 2015 onwards	In progress	
Greening the Borough	Agreed to be dropped to resource additional follow up work for this Committee, reported above.		
Leisure Centres/Leisure Development	April 2016 onwards	Scoping	
Health & Safety		Following up as part of current follow-up work referred to in this report	N/A
Transport/Vehicle Repairs	Dropped from plan to resource depot controls review		
Additional: Housing Benefit case review for management	June 2015	Completed	N/A
Additional review – depot income/asset controls	September 2015	Final (management briefing) report issued	N/A - advisory

Review	Scheduled Start*	Status	Level of assurance
Additional review – agency staffing pre-employment checks	October 2015	Final (management briefing) report issued	N/A - advisory

- Timings either agreed with management where relevant or proposed by us.