

Oadby & Wigston Borough Council

Internal Audit Progress Report

October 2016



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1. Introduction

This report summarises the work of Internal Audit for the period to mid-October 2016. The purpose of the report is to update the Committee on progress made in delivering the 2016/17 audit plan, completion of delayed and deferred audits from 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 2016/17 year totals 260 days. Section 5 provides details of all of the audit assignments included in the 2016/17 year, together with details of the point in the year at which each assignment is currently planned for delivery and an update on the current position. We are also discussing with management potential internal audit support and assurance regarding corporate Change Management projects and may propose amending the internal audit plan to facilitate this important work.

3. Reviews completed

The following reviews have been completed and final reports agreed with management since the last full Internal Audit progress report (March 2016 meeting):

Review	Status	Level of assurance
2015/16 Building Control	Final report issued	Limited
2015/16 Leisure Contract	Final report issued	Significant
2015/16 Budgetary Control & Medium Term Financial Strategy	Final report issued	Moderate
2015/16 Payroll	Final report issued	Moderate

Review	Status	Level of assurance
2015/16 Key Financial Controls	Final report issued	Creditors - Moderate Debtors - Limited Cash & Income - Significant Treasury - Full
2015/16 Human Resources	Final report issued	Significant
2015/16 Housing Repairs (performance)	Completed – advisory letter issued to management	N/A
2016/17 Health & Safety – Depot Services	Final report issued	Significant
2016/17 Fees and Charges	Completed – letter issued setting out areas to consider	N/A
2016/17 Anti-fraud review – duplicate payments	Completed – no duplicate payments highlighted	N/A

For the Committee's information, we can also update on the remaining 2015/16 audits as follows:

Legal Compliance – this review started in September is in progress and we would expect a report to be agreed before the next meeting of this Committee.

Community Safety/Anti-social Behaviour – a draft report is under discussion and we expect that a final management briefing report will be agreed before the next meeting of this Committee.

Housing Register/Allocations – a draft report has been issued and we expect that a final report will be agreed before the next meeting of this Committee.

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 finalised audits where these relate to matters we deemed to be high risk/priority. The following such issues were reported in relation to the above finalised audits.

Building Control- final report issued in October 2016

Our audit highlighted an issue regarding the Scheme of Charges which management has advised has since been addressed.

Budgetary Control/Medium Term Financial Strategy – final report issued in June 2016

Our review highlighted concerns regarding budget holder training and budget monitoring and forecasting processes in 2015/16. Management agreed actions to address these and has confirmed, through the recommendation tracking process, that these have been implemented.

Payroll – final report issued in July 2016

Our audit highlighted an issue regarding data security – further detail can be provided.

Key Financial Controls - final report issued in June 2016

Creditors

System Control Objective 1: Payments to suppliers are accurate, timely, properly accounted for and only made in respect of authorized invoices and for goods and services received and procured in line with the Council’s financial regulations and contract procedure rules.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
1.1 Invoice Payments – Compliance with Contract Procedure Rules	<p>Our testing of sample of 10 creditor invoices highlighted the following:</p> <ul style="list-style-type: none"> In four cases due to the financial value involved, in order to comply with the Council's Contract Procedure Rules three written quotes from suppliers were required. In two cases only two and one quote had been obtained respectively. 	<p>Lack of audit trail. Non compliance with procurement requirements. Competitive buying decisions cannot be demonstrated. Poor VFM.</p>	2	The Council's Contract Procedure Rules should be complied with and documentation retained to support such compliance, which should be readily available.	Agreed. Managers will be reminded of the requirements of the Contract procedure rules and financial regulations	Martin Hone Interim Section 151 Officer	Immediately

System Control Objective 2: Only authorized amendments can be made to the creditors masterfile.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
1.6 Supplier Masterfile changes	<p>A Supplier Masterfile Changes Report (New Suppliers and Changes to Suppliers respectively) was introduced in 2014/15 to ensure an audit trail is readily available to support authorised changes. However the Interim Accountancy & Finance Manager confirmed that due to staffing resource issues during the 2015/16 year, Supplier Masterfile Changes Reports have not been run and reviewed.</p> <p>(We have previously reported on this matter in our 2014/15 Creditors Report, in addition to concerns about the lack of supporting documentation for supplier detail changes in that report and our report for 2013/14).</p>	<p>Unauthorised changes to standing data not identified in a timely manner. Increased risk of fraud.</p>	2	It should be ensured that the amendments to the suppliers masterfile report are run and reviewed on a monthly basis to confirm that all changes can be supported by authorised documentation including evidence of direct contact with the supplier to confirm any (notified) changes.	All masterfile changes will be reviewed and authorized on a weekly basis.	Chris Raymakers Interim Finance and Accountancy Manager	Immediately

Debtors

System Control Objective 2: All income due is received and is accurately and completely recorded in the debtors ledger which reconciles to the general ledger.

The issues reported in relation to the key control objective 3 below also impact on this key control.

System Control Objective 3: Debt collection, recovery and write off procedures are sufficient to ensure that delay in receiving payments and loss of income is minimised.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
1.10 Aged Debt Analysis –Regular Review, Action and Reporting	<p>Following our 2014/15 Debtors review we reported the following:</p> <p>It could not be confirmed whether aged debt reports had been regularly run and reviewed by management during the year as there was no evidence available to support such action.</p> <p>Recommendation 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</p>	<p>Debt not being properly managed.</p> <p>Increased risk of bad debt.</p> <p>Adverse impact on the council's cashflow.</p> <p>PFD Committee not informed of debt management position.</p>	2	It should be ensured that the planned action specified by the Interim Finance & Accountancy Manager and which was reported to the PFD Committee in March 2016 and for which Audit has received assurances will be fully operational by the 30 June 2016 as stated.	<p>Processes are in place</p> <p>All service managers have been sent listings of outstanding debtors and action taken on responses.</p> <p>Reports will be sent to PFD committee from July 2016 cycle.</p>	Chris Raymakers Interim Finance and Accountancy Manager	Immediate and Ongoing

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
	<p>quarterly debt write off reports to the PFD Committee.</p> <p>Management Response Agreed. Aged debt reports will be run monthly and reviewed by management and appropriate action taken to recover debts, including referral to the council's Legal Services Team and bailiffs if appropriate. Evidence will be retained to confirm this.</p> <p>Periodic reports will be taken to the PFD Committee detailing what the analysed debts levels are and what action is being taken to recover debts. This will be done together with the introduction of quarterly debt write off reports to the PFD Committee. By 31 Aug 2015.</p> <p>Update Following a request by senior management for us to undertake an independent review of outstanding recommendations (Level 2 &3) for reporting to the PFD Committee in MARCH 2016, we reported the following in respect of this recommendation.</p> <p><u>Audit Conclusion –Work in progress</u></p> <p>The Interim Finance & 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 						

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
	<p>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.</p> <ul style="list-style-type: none"> 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 As part of this review (April / early May 2016) we obtained assurances from the Interim Finance & Accountancy Manager that steps are being taken to ensure the specified actions are met by the target date, although insufficient work had been completed for us to confirm by testing.</p> <p>At 31 March 2016 Sales Ledger Debt was: £373,313 with some £296,000 being older than 90 days.</p>						
1.11 Collection of Debt	<p>Our testing of 10 sundry debtor invoices raised in the period under review highlighted the following:</p> <ul style="list-style-type: none"> for three cases it could not be confirmed that action was being taken to recover amounts owed 	<p>Debt recovery not actively pursued.</p> <p>Increased risk of bad debt.</p>	2	Debt recovery should be actively pursued to reduce the risk of bad debt.	<p>Debt recovery action is being taken against all outstanding debtors.</p> <p>Unrecoverable debts are being written off.</p>	Chris Raymakers Interim Finance and Accountancy Manager	Immediate and Ongoing

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
	<p>on the invoices raised since no payments had yet been received for two of them and part payment for one at April 2016. (From other testing we also noted a case of non payment of periodic rent for the whole year). (See exception immediately above also).</p>						

Health & Safety – Depot Services – final report issued in September 2016

System Control Objective 2: Depot staff are suitably trained and are aware of health and safety requirements, policies and procedures.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
2.1 Staff Training	<p>12 office based staff and 60+ operatives work at or from the Depot. We requested details of training that these staff had received within the last 12 months. The information we received (from the Corporate Resources Interim Manager) was analysed and summarised as follows: February 2016 - Manual Handling - 39 staff March 2016 - First Aid at Work - 4 staff March 2016 - Sharps Training - 6 staff.</p> <p>Due to the nature of the services provided it would be reasonable to expect staff to have had training in other areas such as Fire Safety and Health and Safety awareness (in particular as the procedures are currently under revision for these areas – See 1.1 above). No evidence of such training has been provided. Further our Corporate Health & Safety review in 2014/15 recommended the following: "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." Management's response was "Agreed. A matrix with staff training, qualifications and licences eg HGV is currently under development. Brian Kew, Depot Manager When: 31 Mar 2015" Management's revised update: in March 2016 stated "Training matrix is being produced so it is easily recognised which members of staff can help out on different services if needs be, and which ones need training on specific tasks." Revised update: August 2016: The training matrix is still work in progress for operatives at the Depot.</p>	<p>Staff not properly trained in health and safety procedures.</p> <p>Increased risk of injury to staff/ public.</p>	2	<p>It should be ensured as a priority that the training matrix for all staff at the Depot is completed as soon as possible so that staff who need training, in particular relating to health and safety procedures, can be readily identified and that appropriate training and or refresher training is arranged immediately.</p> <p>We consider the active involvement of the Corporate Resources Team including the Corporate Health & Safety Officers is vital to the implementation of this recommendation and that senior management should make appropriate resources available to ensure that it is completed in a timely manner.</p>	<p>The training matrix is currently being finalised.</p> <p>After completion of the matrix and the Fire Evacuation Procedures for the depot, a schedule will be developed for staff training and carried out according to priority needs.</p>	<p>Brian Kew Depot Manager</p> <p>Brian Kew Depot Manager/ Paul Evans Corporate Health & Safety Officer</p>	<p>31 Oct 2016</p> <p>Ongoing until end of March 2017</p>

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. The first table below represents the status of agreed actions due to be implemented by 30/9/16, the second table the age of the outstanding recommendations (based on the original date due for implementation). The status shown is as advised by the relevant manager/Head of Service and does not imply that Internal Audit has verified the status.

Summary	1 Critical	2 High	3 Medium	4 Low	Total
Due by 30/9/16	-	36	226	71	333
Implemented	-	26	191	66	283
Closed (effectively implemented or system changed)	-	-	5	2	7
Still to be completed	-	10	30	3	43

Time overdue for actions o/s or not complete	1 Critical	2 High	3 Medium	4 Low	Total
Less than 3 months	-	2	3	-	5
3 – 6 months	-	3	13	-	16
Greater than 6 months	-	5	14	3	22
Total	-	10	30	3	43

'High Risk' outstanding issues

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
13/14 Health & Safety	<p><u>Policies and Procedures</u></p> <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>	2	<p><u>Audit Conclusion - Work in progress</u></p> <p>The Health and Safety Officer appointed in December 2015, informed 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</p> <p>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.</p> <p>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>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
			<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> <p>Paul Evans Health & Safety Officer Various implementation dates as stated above.</p> <p>Update from Karen Pollard 14/10/16: The Health and safety Policy is renewed annually. The Policy has been redrafted and is in two formats. A brief version for staff who just need to understand the basics. A fuller version for those officers who have a greater involvement in H & S.</p>
13/14 Health & Safety	<p><u>Training & awareness</u></p> <p>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</p>	2	<p><u>Audit Conclusion - Work in progress</u></p> <p>Members will be informed of safety issues relating to them at a Health and Safety / Equalities briefing being planned for 26 April 2016.</p> <p>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:</p> <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

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	who need it in a timely manner.		<ul style="list-style-type: none"> ○ 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. <p>Paul Evans Health & Safety Officer Ongoing</p> <p>Update from Karen Pollard 14/10/16: Members have been trained in April 2016. Staff training is due before the end of the financial year.</p>
13/14 Health & Safety	<p><u>Risk assessments</u></p> <p>It should be ensured that health and 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>	2	<p><u>Audit Conclusion - Work in progress</u></p> <p>Risk Assessments for two high risk Council areas, the Depot and Brocks Hill were carried out around mid 2015 and will require re-assessing later this year.</p> <p>Details of these are on the Council's F Drive.</p> <p>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>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
			<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>Update from Karen Pollard 14/10/16: All risk assessments are in place and are renewed annually or when there has been a change. The H & S Officer is working to carry out our own internal audits so we can be sure that all the identified tasks have been done.</p>
14/15 Street Cleansing & Grounds Maintenance	<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</p>	2	<p>See Response provided for Health and Safety - Risk Assessments above.</p> <p>The proposed implementation date has been amended to 31/3/17 by the service.</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
	<p>service risks should be identified and included in a Risk Register which should then be kept under constant review.</p>		
15/16 Budgetary Control/MTFS	<p><u>Budget Holder Training</u></p> <p>Going forwards It should be ensured that planned budget training sessions are arranged by Finance and it is made compulsory for all budget holders and other staff with budgetary responsibilities to attend these sessions.</p>	2	<p>Original response: Agreed. Training sessions will be arranged for July 2016 and August 2016.</p> <p>Chris Raymakers, Interim Accountancy Manager 31/8/16</p> <p>Update from Chris Raymakers August 2016: Courses are booked for 5 and 9 September after the holiday period.</p>
15/16 Budgetary Control/MTFS	<p><u>Budget Holder Meetings</u></p> <p>Formal monthly meetings with budget holders (permanent and interim) should be introduced with immediate effect. Monthly budget outturn reports should be issued to budget holders to form the basis of such meetings where detailed monitoring and forecasting should be undertaken. Discussions and agreed actions at these monthly meetings should be documented and signed and dated by budget holders and finance staff at the end of the meetings.</p>	2	<p>Original response: Now that officers are in place regular meetings can resume from July 2016 in line with the budget monitoring timetable. Sign off of agreed actions will be undertaken.</p> <p>Chris Raymakers, Interim Accountancy Manager 31/7/16</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
15/16 Main Accounting	<p><u>Leavers Access to Council's IT system</u></p> <p>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.</p>	2	<p>Original response: 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> <p>Paul Langham, IT Manager 28/2/16 Owner changed subsequently to Mike Dungey, ICT Infrastructure Manager</p>
15/16 Payroll	<p>An issue was highlighted regarding data security-further details can be provided on request.</p>	2	<p>Original response –action proposed to be taken by Karen Pollard by 30/6/16</p>
14/15 Housing Rents	<p><u>Orchard System</u></p> <p>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>	2	<p>Original response - This is accepted by the Council. A review of the Orchard system in respect of rent accounting and arrears has begun in December 2015. 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 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. Further on-going improvements/changes will be scheduled in for completion during 2016-17 financial year.</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
			Steve Nash, Community Housing Team Leader 30/6/16 Update by Steve Nash September 16: Further amendments required for the Orchard system alongside further testing-revised implementation date 31/12/16
14/15 Housing Rents	<p><u>System administrator access to the rent system</u></p> <p>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.</p>	2	<p>Original response: 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. Steve Nash, Community Housing Team Leader 30/4/16</p> <p>Update by Steve Nash September 16: The systems administration function is a specialist support role which is subject to an internal review process previously mentioned. Day to day Orchard Housing System functions and BACS processing functions are in the process of being transferred from the additional duties carried out by the current system administrator to the Income Team globally. The Lettings Officer and the Housing Services Manager are being involved to provide an element of resilience in the event of staff absence in the Income Team. Revised implementation date 31/12/16</p>

Medium (level 3) risks outstanding for over 6 months

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
13/14 Equalities	The Equality and Diversity Agenda – Specific and Measurable Targets:	3	<u>Audit Conclusion – Work in Progress Staff</u>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
	<p>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.</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> <p>Updates from Karen Pollard Sept/Oct 16: Work to produce an agenda for the next 4 years is due to be completed. The action plan will set out the key stages and the council's objectives. The Community Engagement Forum will be consulted on the changes. The Council has been working towards targets set that expire in 2017. The community has been consulted about the issues to be included in</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
13/14 Equalities	Compliance with the Equalities Act 2010 should be monitored by an appropriate body within the Council and progress should be reported to, and approved by an appropriate Committee.	3	<p>the next document.</p> <p>Audit Conclusion –Work in progress 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. Reporting on this and reporting on performance against the council’s 5 equality objectives will be to the PFD Committee.</p> <p>Veronika Quintyne Community Engagement Officer March 2016 & September 2016</p> <p>Updates from Karen Pollard Sept and Oct 16: Plans are in place to meet this Act. The action plan is managed via the Community Engagement Forum. Working to the plan that was produced in 2013 to 2017.. A new Plan will be drawn up in the new year.</p>
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	<p>Audit Conclusion – Work in progress 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.</p> <p>Veronika Quintyne Community Engagement Officer September 2016</p> <p>Update from Karen Pollard Oct 16: Data will be published about the 9 characteristics by end March 2017.</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
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	<p><u>Audit Conclusion –Work in progress</u></p> <p>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.</p> <p>Veronika Quintyne Community Engagement Officer March 2016</p> <p>Updates from Karen Pollard Sept and Oct 16: The Equality Objectives have been met taking the Plan up until 2017. The new Plan is currently being consulted on. The community engagement forum guides the work on these targets.</p>
13/14 Equalities	Suitable training in equality and diversity should be mandatory for all officers and members, and it should be ensured that it is delivered to the planned timescales	3	<p>Original action date July 2015.</p> <p>Update from Karen Pollard Oct 16:</p> <p>The roll out for staff training concluded on 14.10.16. Diversity training was delivered to all staff. PREVENT training, which is the training to alert people to look for extremism behaviours, was also delivered in this time period. One further session will be delivered for those staff who missed the session.</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></p> <p>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>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
			Update from Stephen Glazebrook June 2016: A report has been prepared for the July 2016 committee meeting but this involves the potential for the service to be incorporated in the Lightbulb Project which will introduce a consistent county wide service. If this goes ahead the service standards will be set jointly with participating authorities through the Lightbulb project. Revised implementation date 31/10/16
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	<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 Chris Raymakers Revised date 30 June 2016. Update: Work to be done over the Summer – revised implementation date 30/9/16
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 function to one that is fully embedded.	3	<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. Chris Raymakers Revised date now 31 Aug 2016.
14/15 Main Accounting	Prompt removal of leavers from financial systems access: a It should be ensured that HR provide timely notification of leavers	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 status (including position reported by Internal Audit at March 2016 where relevant)
	<p>to 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> <p>No further update available.</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></p> <p>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>
13/14 Legal Services/Corporate Legal Compliance Arrangements	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	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</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
	<p>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>		<p>appropriate to ensure timely compliance.</p> <p>Anne Court Director of Services Immediate</p> <p>Update from Karen Pollard Oct 16: Website is updated by the new PR and Communication officer. Compliance with legislation is handled better now since the new postholder is in place.</p>
14/15 Street Cleansing and Grounds Maintenance	<p>Efficient working: It should be ensured that 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.</p>	3	<p><u>Audit Conclusion – Work in Progress</u></p> <p>Purchase of equipment will continue demonstrate the consideration of efficiency issues eg the purchase of refuse trucks for approximately £1m in the last financial year.</p> <p>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.</p> <p>Brian Kew, Operations Manager Ongoing</p> <p>Update: date amended to 31/3/17 – this is still ongoing with HR</p>
14/15 Street Cleansing and Grounds Maintenance	<p>Cleanliness Service Standards – Targets: The Council should introduce specific cleaning performance targets for monitoring and reporting against.</p>	3	<p><u>Audit Conclusion – Work In Progress</u></p> <p>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.</p>

Review	Recommendation	Risk Rating	Current status (including position reported by Internal Audit at March 2016 where relevant)
			<p>A reporting mechanism on performance has not yet been devised due to current lack of resources. Brian Kew, Operations Manager Ongoing</p> <p>Update: date amended to 31/3/17</p>
15/16 Benefits	Management should review the information held on the Council website to ensure it is accurate, and up to date.	3	<p>Original response: We will continually review the information held on the Council website to ensure it is accurate, and up to date. The January 2015 updated Customer Service Charter had not been posted on the Website. This will be reviewed and updated. The link to the Council Tax Support Scheme has been repaired. The DHP policy on the website is up to date but is under review. Jacky Griffith, Welfare and Taxation Processing Manager – by 29/2/16</p> <p>Update from Jacky Griffith Oct 16: The Customer Service Charters for 2015 which are now historic will not be posted on the website but the new charters when produced – will be published – revised implementation date 31 May 2017.</p>

5. 2016/17 Internal audit plan

Review	Scheduled Start*	Status	Level of assurance
Budgetary Control/Medium Term Financial Strategy	January 2017		
Main Accounting	November/December 2016		

Review	Scheduled Start*	Status	Level of assurance
Creditors	February 2017		
Debtors	February 2017		
Treasury Management	November/December 2016		
Income Management & Cash Receipting	November/December 2016		
Anti Fraud & Corruption-targeted fraud prevention/detection work	May 2016	Completed	N/A
Strategic Procurement / Shared Services / Service Review - VFM	January – March 2017		
Income Generation/fees and charges	June/July 2016	Completed	N/A
Cash Receipting system implementation	April-June 2016	Completed	N/A
Grant Aid – Value for money review	January – March 2017		
Food Hygiene	To be agreed		
Payroll & Expenses	January – March 2017		
Workforce – Procurement of agency staffing	To be agreed		

Review	Scheduled Start*	Status	Level of assurance
Council Tax	December 2016	Scope agreed	
Business Rates	October - November 2016	Scope agreed	
Benefits	November 2016	Scope agreed	
Housing Rents	January – March 2017		
Housing – investment / repairs and maintenance	January – March 2017		
Void Property Management	January – March 2017		
Brocks Hill	January – March 2017		
Health & Safety – ‘Depot Services’	July/August 2016	Final report issued	Significant
Vehicle procurement and management	To be agreed		

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