

WAVERLEY BOROUGH COUNCIL
AUDIT COMMITTEE – 21 JUNE 2016

Title:

PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS

[Wards Affected: All]

Summary and purpose:

To inform the Audit Committee of Senior Management's progress in implementing the recommendations raised by Internal Audit following a review in their service areas. This report will enable the Committee to consider what action is required in respect of those that are overdue or appear likely to be implemented later than the target date.

How this report relates to the Council's Corporate Priorities:

Internal Audit work contributes to the safeguarding of assets against loss and waste and for identifying other value or money issues.

Financial Implications:

Internal audit work helps management in achieving good value for money and, individual recommendations may have value for money implications.

Legal Implications:

There are no direct legal implications, although good governance is strengthened by attention to the matters raised in audit recommendations.

Introduction

1. This report provides the Audit Committee with the latest position regarding the implementation of Internal Audit recommendations.
 2. Annexe 1 provides the current position on recommendations due for completion at the end of the month of the Audit Committee date.
 3. Annexe 2 details the request for change of implementation due date.
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Conclusion

4. Recommendations relate to the control environment and hence the overall governance and risk management of the Council and it is important that agreed actions are completed within timeframes agreed with the relevant Head of Service.

Recommendation

It is recommended that the Committee:

1. considers the information contained in Annexe 1 and identifies any action it wishes to be taken; and
 2. agrees an appropriate implementation date for the recommendations listed in Annexe 2.
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Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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Audit Recommendations overdue or due within next month

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Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed


Head of Service Vickers, Peter


Action Code & Description	IA16/14.001 Contract Procedure Rules	The Contract Procedure Rules state that contracts greater than £25,000 in value must be included on the Contract Register. This does not align to the Transparency Code which requires any contracts greater than £5,000 to be included.	Exit Meeting Date	29-Jan-2016
			Due Date	30-Jun-2016
Audit Report Code and Description		IA16/14 In-Tend Procurement Portal		
Agreed Action		The Contract Procedure Rules will be updated to state that any contracts greater than £5,000 should be included on the Contracts Register.		
Status		In Progress	Progress	90%
			Head of Service	Peter Vickers
All Notes	A procurement governance group has been convened meeting 4 weekly, CPR review is part of the groups remit. Consultation meetings with services have taken place, training sessions delivered and individual team specific procurement seminars held. The £5k is widely communicated and consulted upon, the requirement will be included in the CPR's next revision due to go to September audit committee. Therefore a request that the implementation date is revised to 30 September 2016 is included in Annexe 2 below.			13-May-2016

Head of Service Wagstaff, Hugh

Action Code & Description	IA16/05.001 Deed of Variation	The Deed of Variation covering the 2014/15 period was with the Council's legal department at the time of the audit, and the Housing team were awaiting formal issue of the variation.	Exit Meeting Date	27-Aug-2015
			Due Date	06-Oct-2015
Audit Report Code and Description		IA16/05 Kitchen & Bathroom (basket rates)		
Agreed Action		The Council will formally issue the Deed of Variation incorporating the new basket rates for kitchen and bathrooms into the programme of works between the Council and Mears.		
Status		Overdue	Progress	50%
			Head of Service	Hugh Wagstaff
All Notes	Legal have advised that a realistic timeframe to complete the deed of variation is by the end of February 2016 as Mear's legal team need sufficient time to respond. This is being dealt with by WBC Legal Services before it is passed to the Mears Legal Team for agreement.			05-Nov-2015
	Deed of Variation in relation to Kitchens and Bathrooms has been provided to Mears in May 2016 for signing. It should be noted that the prices contained in this Deed of Variation have been in operation since April 2015 and are being applied by both parties.			09-Jun-2016

Action Code & Description	IA16/16.002 Premises Information Packs		The Council is required to implement the roll out of Premises Information Packs in relevant buildings.		Exit Meeting Date	24-Dec-2015
					Due Date	30-Jun-2016
Audit Report Code and Description			IA16/16 Housing Asbestos Follow Up			
Agreed Action			Agreed			
Status		In Progress	Progress	70%	Head of Service	Hugh Wagstaff
All Notes	Sheltered Schemes PIP in place - Community rooms and corporate properties being rolled out.					17-May-2016
	Status remains the same as PIPs to community rooms and corporate buildings still ongoing. Community rooms & corporate Properties will have PIPs rolled out by end of June 2016.					09-Jun-2016

Action Code & Description	IA16/16.006 Survey all corporate and community properties		WBC should ensure that after survey all Corporate Portfolio and Community properties are reflected in the Council's asbestos register. After management review has been undertaken regarding responsibility of duties relating to asbestos, ensure all necessary asbestos procedure, guidance and documentation is disseminated to occupants/managing agents.		Exit Meeting Date	24-Dec-2015
					Due Date	31-May-2016
Audit Report Code and Description			IA16/16 Housing Asbestos Follow Up			
Agreed Action			Agreed			
Status		Overdue	Progress	90%	Head of Service	Hugh Wagstaff & David Allum
All Notes	Majority of data loaded - final checks to be undertaken. Responsibilities to be disseminated.					17-May-2016
	Data of all surveyed properties loaded into Keystone Asbestos Register. Responsibility re corporate property leases will be provided as part of the PIPs information packs that will be sent to leaseholders at the end of June 2016. Therefore a request for an extension to 30 June 2016 is made below in Annexe 2.					09-Jun-2016

Action Code & Description	IA16/16.010 Asbestos Leaseholder procedure		Implement a set procedure for the remit of leaseholders at WBC in regard to asbestos 'duty holder' responsibility and ensure it is disseminated and applied in a timely fashion.		Exit Meeting Date	24-Dec-2015
					Due Date	31-May-2016
Audit Report Code and Description			IA16/16 Housing Asbestos Follow Up			
Agreed Action			Agreed			
Status		Overdue	Progress	80%	Head of Service	Hugh Wagstaff & David Allum
All Notes	Housing Service leaseholders are always provided with asbestos information. Corporate responsibilities to be clarified.					17-May-2016
	Only 4 corporate buildings are Waverley's responsibility re management of asbestos, terms and conditions of the lease to others re standard clause in the lease, states the leaseholders responsibility for maintenance and repair of the property. Legal advice is being sought to confirm these terms include management of the property. Therefore a request for an extension is sought to the 30 July 2016.					09-Jun-2016

**Internal Audit Recommendations
presented to the Audit Committee
for status change of Due Date on Covalent**

Report ref/ recommen dation ref	Title	Recommendation	Justification/ Reason for change in implementation date	Responsible Officer
IA16/05.001	Kitchen & Bathroom Basket Rates re Deed of Variation	The Deed of Variation covering the 2014/15 period was with the Council's legal department at the time of the audit, and the Housing team were awaiting formal issue of the variation.	Deed of Variation has been provided to Mears in May 2016 and we await return of the agreed and signed document from Mears Group Head Office. Therefore a request is made for an extension until the end of September 2016.	Head of Housing Operations - Hugh Wagstaff Legal Services
IA16/16.006	Housing Asbestos Follow Up	WBC should ensure that after survey all Corporate Portfolio and Community properties are reflected in the Council's asbestos register. After management review has been undertaken regarding responsibility of duties relating to asbestos, ensure all necessary asbestos procedure, guidance and documentation is disseminated to occupants/managing agents.	All necessary asbestos procedure, guidance and documentation will be disseminated to occupants/managing agents with the PIPs pack that have been prepared and will be sent out by 30 June 2016. Therefore a request for an extension is sought to the 30 June 2016.	Head of Housing Operations - Hugh Wagstaff Head of Customer and Corporate Services – David Allum
IA16/16.010	Housing Asbestos Follow Up	Implement a set procedure for the remit of leaseholders at WBC in regard to asbestos 'duty holder' responsibility and ensure it is disseminated and applied in a timely fashion.	Only 4 corporate buildings are Waverley's responsibility re management of asbestos, terms and conditions of the lease to others re standard clause in the lease, states the leaseholders responsibility for maintenance and repair of the property. Legal advice is being sought to	Head of Housing Operations - Hugh Wagstaff Head of Customer and Corporate Services - David Allum

			<p>confirm these terms include management of the property should issues arise.</p> <p>Therefore a request for an extension is sought to the 30 July 2016.</p>	
IA16/14.001	Contract Procedure Rules	<p>The Contract Procedure Rules state that contracts greater than £25,000 in value must be included on the Contract Register. This does not align to the Transparency Code which requires any contracts greater than £5,000 to be included.</p>	<p>A procurement governance group has been convened meeting 4 weekly, CPR review is part of the groups remit. Consultation meetings with services have taken place, training sessions delivered and individual team specific procurement seminars help. The £5k is widely communicated and consulted upon, the requirement will be included in the CPR's next revision due to go to September audit committee.</p> <p>Therefore a request that the implementation date is revised to 30 September 2016.</p>	<p>Head of Finance – Peter Vickers</p>