



2020-2021 INTERNAL AUDIT PLAN PROGRESS REPORT

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1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations’ operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisations’ objectives.

2. Purpose of report

In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Audit Executive (Internal Audit Manager at WBC) is required to provide a written status report to ‘Senior Management’ and ‘the Board’, summarising:

- The status of ‘live’ internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Internal Audit Manager’s annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. The contractor has adopted the new CIPFA recommended standard terminology and definitions to be used in internal audit engagements across the whole Public sector and for a standard set of opinions and supporting definitions for internal audit service provider to use. This has resulted in minor amendments to those previously used by Southern internal Audit Partnership and adopted by the internal inhouse provision in accordance with best practice.

The recommended CIPFA classifications: -

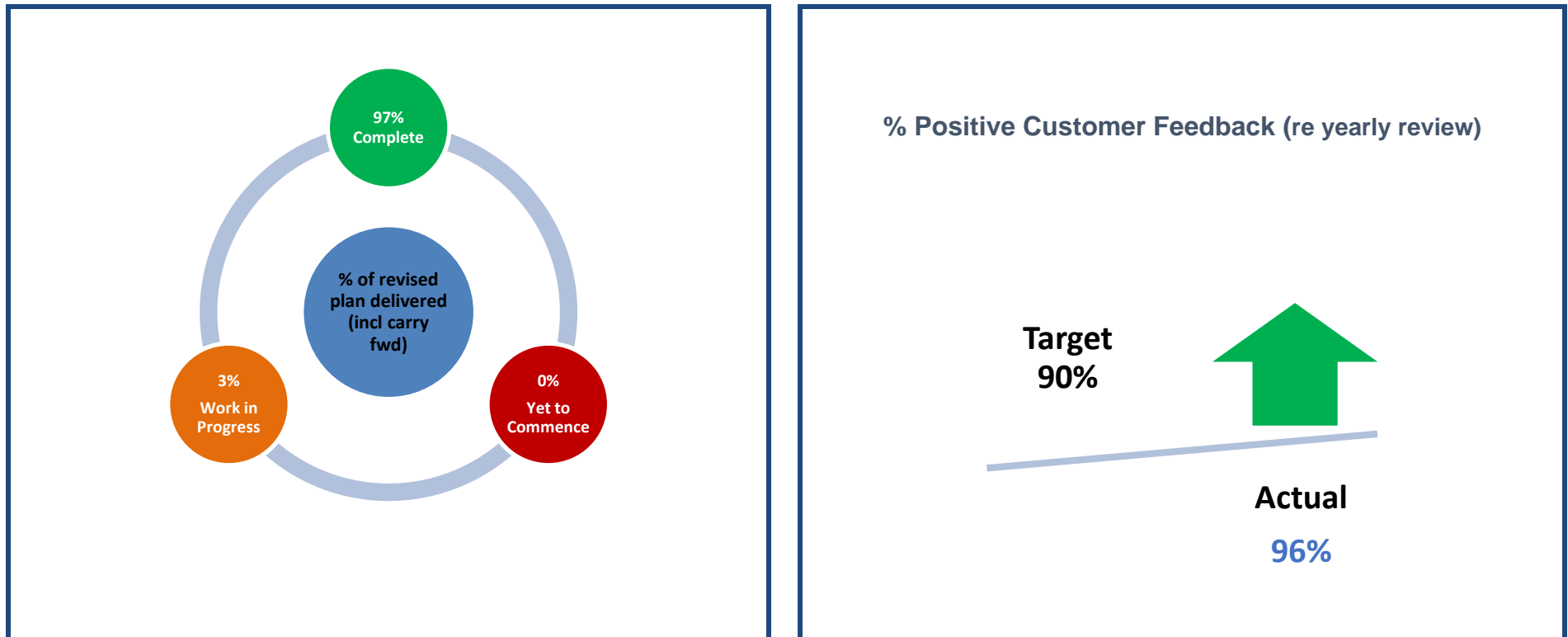
Substantial A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Reasonable There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited

Limited Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited

No Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

3. Performance dashboard



Compliance with Public Sector Internal Audit Standards



An External Quality Assessment of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles. We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

4. Analysis of 'Completed' audit plan reviews

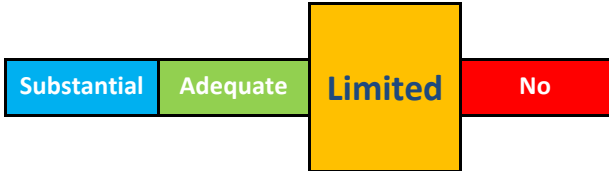
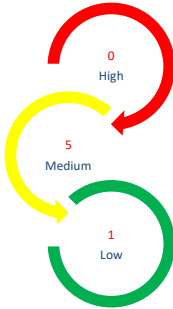
Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions						
				Total Action Reported	Not Accepted	Not Yet Due	Complete	Overdue Actions		
								L	M	H
BACS Process	21/10/2020	HOF & P & HOHO	Reasonable	8	0	0	8			
Rent Collection	28/10/2020	HOHO	Reasonable	5		0	5			
Planning portal public comments on applications	22/01/2021	HOP&ED	Advisory	3			1		2	
Gas Servicing of boilers in council homes	19/01/2021	HOHO	Reasonable	3		1	2			
Payroll	02/03/2021	HOPC	Reasonable	2			2			
Main Accounting	18/03/2021	HOF&P	Reasonable	6			6			
Decant and Demolition of council homes process	26/02/2021	HOHO	Limited	6			2		4	

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions						
				Total Action Reported	Not Accepted	Not Yet Due	Complete	Overdue Actions		
								L	M	H
Procurement levels with Suppliers	31/06/2021	HOF&P	Limited	8	0	1	6		1	
Payments process for new housing repairs contractor	14/04/2021	HOHO	Reasonable	3	0		3			
Disabled Facilities Grants	21/05/2021	HOHD & C	Reasonable	3	0		2		1	
CIL and S106 system income	27/04/2021	HOP&ED	Limited	8			8			
Car Parking Income and PCN	23/06/2021	HOES	Reasonable	6			6			
Housing Options Deposits & Rents in Advance	26/05/2021	HOHD & C	Reasonable	1			1			
Compliance Monitoring for Council Owned Properties	22/06/2021	HOES, HOF&P & HOBT	Limited	13		4	9			

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Actions						
				Total Action Reported	Not Accepted	Not Yet Due	Complete	Overdue Actions		
								L	M	H
Service Charges for leaseholder properties	26/07/2021	HOHO	Limited	7		7				
Safeguarding	08/08/2021	HOSH & CS	Limited	33		26	7			
IT Inventory and Licensing Control	08/08/2021	HOBT	Reasonable	4		4				
Ethics, including declaration of Interests, gifts and hospitality.		HOP & G	Reasonable	4		8	1			

HOF&P	<i>Head of Finance and Property - Peter Vickers</i>	HOBT	<i>Head of Business Transformation - David Allum</i>
HOP&G	<i>Head of Policy and Governance - Robin Taylor</i>	HOHO	<i>Head of Housing Operations - Hugh Wagstaff</i>
HOCS&SP	<i>Head of Commercial Services - Kelvin Mills</i>	HOHD&C	<i>Head of Housing Delivery & Communities - Andrew Smith</i>
HOES	<i>Head of Environmental Services - Richard Homewood</i>	HOP&ED	<i>Head of Planning and Economic Development – Zac Ellwood</i>
CEO	<i>Chief Executive - Tom Horwood</i>	SD Director/s	<i>Strategic Directors - Graeme Clark/Annie Righton</i>

5. Executive summaries ‘Limited’ and ‘No’ assurance opinions

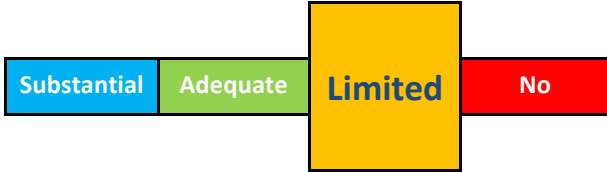
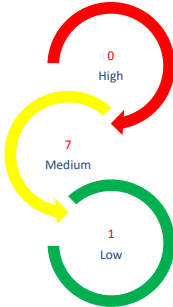
Decant and Demolition of council homes process (IA21-07)		
<p>Directorate Sponsor:</p> <p>Anne Righton</p> <p>Final Report Issued: 26/02/2021</p> <p>(Note:-2 of the 6 actions have been implemented)</p>	<p>Assurance opinion:</p> 	<p>Management Actions:</p> 
<p>Summary of key observations:</p> <ul style="list-style-type: none"> • An organisational structure is in place to provide day to day management oversight and strategic decision-making for the Ockford Ridge development programme (including the decanting and demolition phases). • We found that a Communications Plan, dated January 2020, is in place for the Ockford Ridge development. It contains the purpose of the communications, key stakeholders, potential media and a list of key activities and events. • A Housing Development Officer working group meets to discuss issues arising on sites and to share knowledge/ best practice. From this, a lessons log is maintained by the Housing Development Team. • To mitigate the threat of risks in the decanting and demolition processes, a risk register is in place, containing risk rating, owner and mitigation actions. • The entitlement and eligibility criteria for home loss payments (and the process for claiming disturbance payments), is documented in a leaflet provided to affected tenants. • Two systems are used by WBC to effectively manage its property stock, i.e. (i) Orchard Property Database and (ii) Keystone Asset Management Database. To ensure that the two systems align at the end of every quarter, a formal reconciliation is carried out. At the time of our audit fieldwork testing confirmed that the latest reconciliation had been successfully undertaken. • Information is shared at a project level (using highlight reports), enabling decision making at both operational and strategic level. 		

Summaries key issues

- A 'New build property handover' policy was drafted in January 2019. It has since been updated by the Service Improvement Team but has yet to be implemented. Furthermore, it does not detail all specific notification points (e.g. decision letters to tenants to advise of their successful application for a new property) or state how such progress will be monitored and reported.
- The Housing Development Officer maintains his own record of site progress. However, there was no formal sign-off of programme phases/ milestones.
- Although highlight reports are produced and presented to the Ockford Ridge Programme Group, our review found that they did not show progress against the schedule of phases/ milestones for each site (with a commentary for any deviation), nor the impact of any changes in the assessed risks to the achievement of the strategic objectives.
- We were unable to obtain evidence to demonstrate that WBC has undertaken the full range of checks, in accordance with the guidance, to ensure that only appropriate amounts are paid to tenants in respect of home loss payments. Furthermore, there was no evidence to confirm that tenants had signed the bank details form to agree the submitted amount. This was also the case regarding disturbance claims. We were also unable to obtain evidence to confirm whether Home Loss payments have been appropriately approved.
- Terms of Reference are not in place for the Ockford Ridge Programme Group.

Management Response / Update:

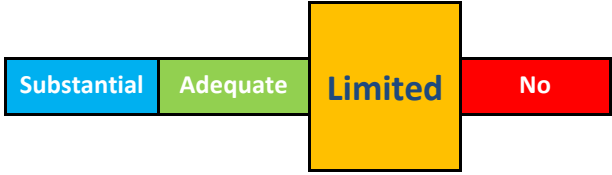
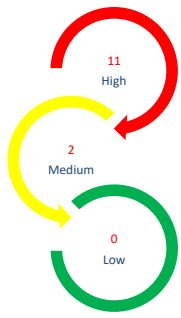
Action has already been taken on 2 of the recommendations, the remaining actions will be discussed and resolve a way forward at the meeting arranged in July with all the teams involved or with an interest in this area. An extension date has been requested to accommodate this meeting outcomes.

Procurement levels with Suppliers (IA21-05)		
<p>Directorate Sponsor:</p> <p>Graeme Clark</p> <p>Final Report Issued: 11/03/21</p> <p>(Note: 6 out of the 8 actions have been implemented and the due date for another has not been reached. The remaining action is in hand)</p>	<p>Assurance opinion:</p> 	<p>Management Actions:</p> 
<p>Summary of key observations:</p> <ul style="list-style-type: none"> The Constitution of the Council contains the organisation’s Financial Regulations and Contract Procedure Rules (CPR’s). The most recent revision and update to CPR’s was agreed by Council in February 2020. These satisfactorily prescribe controls that seek to: <ul style="list-style-type: none"> obtain best value in the way WBC spends money; comply with UK and EU laws, and protect individuals from undue criticism or allegation of wrongdoing by ensuring that all Officers act with independence and integrity. A dedicated e-procurement system is in place. We confirmed that the inTend software is a cloud-based procurement system designed to provide compliance for relevant procurement legislation and local Contract Procedure Rules. The e-Tendering module forms the basis of the system and provides a complete electronic trail of the contract invitation, tender opening and award process. Key documents are linked into and archived within the system. <p><i>Summaries key issues</i></p> <ul style="list-style-type: none"> From an analysis of aggregated expenditure, we examined the top 30 areas of Council expenditure and identified areas where contracts are not in place, were not recorded on the Contract Register or where the contract value on the register was exceeded. 		

- Expenditure on Agency staff is not currently subject to CPR's. The absence of a procured framework for the supply of temporary staff increases the risks of unsuitable agencies being used, non-compliance with EU Regulations and value for money not being achieved.
- From our sample testing of five purchases, we identified one example where market testing was not undertaken (agency staff - £16.5K as discussed above) and one further example (under £5K) where market testing was undertaken but the evidence of the unsuccessful quotes was not retained (Landscaping - £2.8K) – (CPR's only require one quote to be obtained for purchases below £5K but do recommend as 'best practice' that multiple quotes are obtained to better demonstrate value for money)
- There is currently no Procurement Strategy document, although we note that a number of strategic aspirations are considered within the Contract Procedure Rules and are commented upon to a lesser extent in other existing strategies such as those covering Economic Development and Electric vehicles. The absence of an overarching corporate procurement strategy weakens assurances that the objectives and key required outcomes for the service have been defined together with a governance framework.
- There are currently no performance indicators for the Procurement Function to enable monitoring to provide assurance that key outcomes are being delivered.
- A waiver register, in respect of those areas of procurement not required to comply with CPR's, is not in place to provide a central point of reference and consistent review of the waiver process.
- There is currently no annual or cyclical report to members to provide assurance that there is compliance to contract procedure rules.
- There are a number of minor areas where CPR's could be enhanced to clarify the controls prescribed.

Management Response / Update:

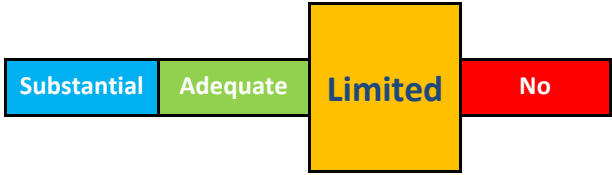
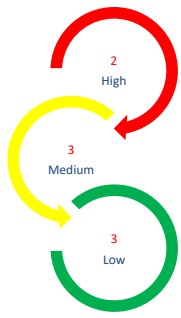
Six out of the eight actions have already been implemented of the remaining actions, one is dependent on the outcome of the report going to an August meeting after collaborating with HR re the Agency action and the other has not reached its agreed due date.

Building Compliance Monitoring (IA21-08)		
<p>Directorate Sponsor:</p> <p>Graeme Clark</p> <p>Final Report Issued: 31/06/21</p> <p>(Note 9 of the 13 actions have been implemented the remaining 4 have not reached their due date)</p>	<p>Assurance opinion:</p> 	<p>Management Actions:</p> 
<p>Summary of key observations:</p> <ul style="list-style-type: none"> • The Council has updated its policies and procedures in line with the most recent Government guidance and has effectively communicated the updated guidance to ensure relevant officer’s understanding and compliance. Updated policies have been approved by the Executive Management Board. • A duty holder has been identified who has clear responsibility for ensuring the maintenance or repair of each premises. • When notified or identified, remedial or unplanned works are assessed for level of priority response and resources allocated to ensure buildings comply with the relevant health and safety legislation. • Assessments that identify high priority remedial works have the required works completed or are scheduled for completion on a risk-based priority basis. • Assessments / inspections have been undertaken by appropriately qualified contractors. • “Access” audits have been completed as required, and an action plan is in place to manage issues noted, such as physical constraints, or alternative reasonable adjustments for providing the service. • Reports are issued to Councillors to update them of health and safety issues and includes details of the works and actions taken to ensure health and safety compliance for the buildings the council is responsible for. <p><i>Summaries key issues</i></p>		

- Testing of statutory risk assessments and inspections in relation to legionella, passenger lifts, emergency lighting and air conditioning were found to be incomplete or overdue. However, it is acknowledged that the impact of COVID 19 will have been a contributory factor.
- There is a Health and Safety Working Group, with representatives from service sectors. There is no formal report presented to the Group regarding works in response to inspections or assessments and the issues arising and is currently limited to a verbal update. There are no agreed performance indicators and comparison reporting to enable monitoring of actual performance vs planned performance.
- Buildings managers and the Property and Engineering Team work together to ensure inspections / assessments are completed. Currently, records are maintained separately and therefore, there is not a complete central source of documentation to facilitate efficient access to completed assessments / inspections.
- Identified remedial actions have been noted and prioritised for action to ensure compliance, although at the time of our testing emergency lighting had some actions outstanding, and water system risk assessments were recorded as having exceeded the bi-annual review date.
- At the time of our review, the updated Health and Safety Policy had not been approved by the Executive Management Board.
- The current frequency of the identification of fire risks, though compliant with minimum legal requirements, does not prompt the timely review of fire safety arrangements.
- A requirement is placed upon contractors to ensure a COVID secure workplace. Currently contractors undertaking repairs or maintenance are not asked for confirmation that they have updated their guidance or to supply a copy of their risk assessment to be COVID secure compliant prior to works starting and maintain COVID secure standards for Council premises.

Management Response / Update:

Action has been taken to address the issues identified and the teams involved are working together to complete the 4 remaining actions to meet the agreed due date of 31 August 2021.

Financial Element of Exacom re CIL and Agresso (IA21-13)		
<p>Directorate Sponsor:</p> <p>Graeme Clark</p> <p>Final Report Issued: 28/05/21</p> <p>Please note all 8 actions have been implemented.</p>	<p>Assurance opinion:</p> 	<p>Management Actions:</p> 
<p>Summary of key observations:</p> <ul style="list-style-type: none"> • Demand notices for CIL are issued when the Council are made aware that the development has commenced, in line with CIL regulations. Testing of a sample of 10 applications confirmed that a demand notice had been issued. • Demand notices for S106 income are issued when the Council are made aware that trigger points for the contributions have been reached. Testing of a sample of 10 applications confirmed that a demand notice had been issued. • Demand notices for CIL and S106 contributions contain a unique reference that the developer is required to quote when making payment and testing of 20 demand notices confirmed each had a unique reference number. <p><i>Summaries of key issues</i></p> <ul style="list-style-type: none"> • The interface between Exacom and Agresso does not always work effectively, leading to incorrect amounts being recorded as due in Agresso and in three cases the demand notice was not uploaded to Agresso from Exacom. • The interface also does not always export the receipts from Agresso to Exacom in a timely manner, which can lead to Developers 		

being reminded to pay an amount that has already been received.

- Quarterly reconciliations between Exacom and Agresso are carried out, however, discrepancies identified are not always corrected in a timely manner.

Management Response / Update:

Incorporate management comment / update on mitigation of issues raised

Both Planning and Finance have worked together to provide solution to the areas identified that require improvement. All actions have been implemented.

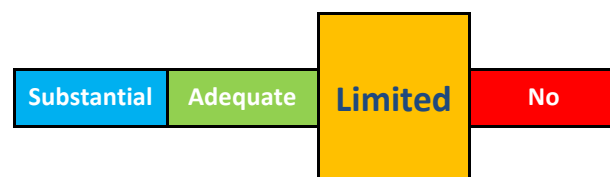
Service charges for Leasehold Properties (IA21-15)

Directorate Sponsor:

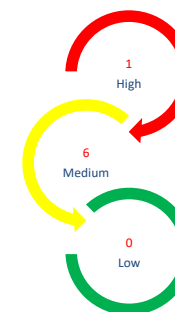
Anne Righton

Final Report Issued: 05/08/2021

Assurance opinion:



Management Actions:



Summary of key observations:

- The Council’s website contains appropriate guidance and contact details to signpost leaseholders, or potential leaseholders, to an appropriate contact should they either have a query or need further advice on lease holding and charges which may fall due.
- Leaseholder service charge rates for 2020/21 were appropriately approved by Full Council in February 2020 as part of updates to the Housing Revenue Account Business Plan 2020/21 to 2023/24.

- The Council have an appropriate Debt Recovery and Write Off policy in place which was finalised and published during 2020.
- The obligations of leaseholders to pay service charges are documented within schedule four of the lease agreement and titled “Tenants Covenants”. In support of this, clear guidance is provided to leaseholders at the start of every year to explain service charges payable. The guidance is sent alongside invoices which are issued during April each year for ground rent, building insurance fees and a charge for services admin fee. All invoices tested matched the approved fee table applicable from 2020/21.
- While invoices for standard leaseholder charges are issued early in each financial year, invoices for repair and maintenance charges are issued later in the year and are sent along with an itemised schedule of work carried out at each premises. Our review compared a sample of invoices with jobs noted as complete in the Housing system, Orchard, and found that they accurately accounted for charges to current leaseholder, new leaseholders, and those who had left that accommodation.
- Budget monitoring is carried out monthly by budget holders across the Housing Service and reported to the Head of Service. Members also receive budgetary information through the regular reporting to Overview and Scrutiny Committee - Housing.

Summary of Key issues

- There is no policy in place relating to leaseholder service charges. Review of the procedures also found these to be out of date as they do not reflect the current service charge process.
- Details of the Section 20 process (Recharging for Repairs and Maintenance in excess of £250) are outlined on the council website, this accurately describes the circumstances in which leaseholders are entitled to adequate notification; or charges will be capped at £250. We identified that eight invoices for section 20 work, due to be sent during 2021, have been capped at £250. This has resulted in a total loss to the Council of £5,970. We were advised that this was due to a new Contractor undertaking this work, whose services were procured at short notice and on a temporary basis, due to the previous long-term Contractor giving the Authority notice of termination. We also note that the Council has not retained copies of section 20 notification letters sent by their previous long-term contracted Repairs and Maintenance service provider.
- Utilities charges should be passed onto leaseholders in line with the charges incurred by the Council. As detailed in the leaseholder agreement, this should be based on actual usage, however, we were advised that charges invoiced to leaseholders in 2020/21 for gas and electricity were based on prior year charges. This course of action prompted query from at least one tenant. When we discussed this further, those raising the invoices were unable to locate confirmation of the approval to base utilities charges on the prior year’s actual charge. They were also unable to advise how the customer’s query was resolved. We note that the Council have been installing smart meters on their properties to ensure accuracy of invoicing in the future. However, this task is not yet complete.

- In discussion with the Home Ownership Officer we were advised that spot checking takes place to ensure accuracy of billing, prior to the issue of invoices. However, due to the lack of recording of these checks, the Council were unable to demonstrate this had been carried out before invoices were sent to leaseholders.
- Aged debt within leaseholder charges is monitored through the use of aged debt reports which are available from the Housing Finance Manager. However, debt has not been consistently pursued and we found debt dating back to 2018/2019 remains outstanding. This is primarily due to a long-term vacancy in the section, and while that vacancy has been covered by temporary agency staffing, the first COVID-19 lockdown from March 2020 hampered efforts to gain meaningful momentum on obtaining payments due.
- We were unable to verify the accuracy of cleaning and fire equipment maintenance charges within our sample as no supporting information could be supplied. Going forward, the newly employed Housing Income Officer has put in place a methodology for accurately apportioning these charges.

Management Response / Update:

The areas raised will be included in the service areas improvement planned as the cooperation of all areas of the service will be required including the customer services team.

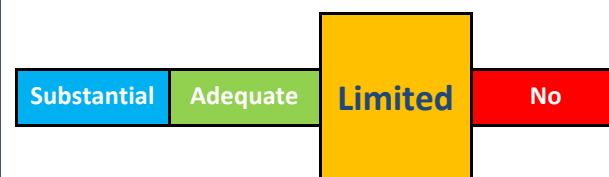
Safeguarding (IA21-17)

Directorate Sponsor:

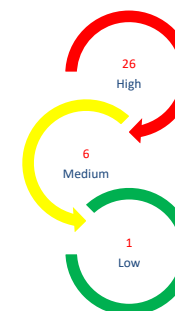
Anne Righton

Final Report Issued: 05/08/2021

Assurance opinion:



Management Actions:



Summary of key observations:

- There is a safeguarding policy setting out how the Council will meet its obligations to safeguard children and adults at risk; the policy is dated January 2020 and has a review date of January 2022.
- Safeguarding information, including access to the policy and processes, is available to staff from a link on the homepage of the intranet; members of the public can access safeguarding information via the website.
- The safeguarding policy includes a clear framework for dealing with safeguarding concerns.
- Access to the Empowering Communities Inclusion and Neighbourhood Management System (ECINS) is restricted to relevant staff and reviewed monthly.
- The Internal Safeguarding Board reports to the Chief Executive through the Management Team.
- Waverley Borough Council is represented at key safeguarding meetings and forums including Surrey Safeguarding Leads Meeting (Children and Adults at Risk), Surrey Safeguarding Children's Partnership Executive and Surrey Safeguarding Children Executive Group.
- Waverley Borough Council are a signatory to the Surrey Crime and Disorder (C&D) Information Sharing Protocol (ISP) which is a context specific, tier two protocol that is compliant with the overarching Surrey Multi Agency Information Sharing Protocol (MAISP). Organisations that are signatories to the C&D ISP are bound by the principles of the MAISP and are automatically a signatory to the overarching protocol.
- Our testing showed that checks on DBS certificates are recorded prior to issue of licences. We were advised by the Licensing Administrator that a new policy was due to be implemented in April 2021 requiring drivers to sign up for the DBS update service to facilitate regular checks.
- Measures are in place to evaluate the effectiveness of safeguarding training; we found that a course evaluation form was sent to attendees for safeguarding training carried out via zoom in October 2020

Summary of Key issues

- There is no regular monitoring of concerns recorded in ECINS for compliance with the safeguarding policy.
- Although the Internal Safeguarding Board was introduced following the last audit to provide leadership and co-ordination of the Council's approach to safeguarding there is no established reporting framework to ensure that safeguarding responsibilities are discharged.
- Portfolio Holder information in the Safeguarding Children and Adults at Risk Policy and Corporate Safeguarding Board Terms of Reference are out of date; The Corporate Strategy does not set out the Council's role in safeguarding, and it is not included as a

Portfolio Holder responsibility on the Council website.

- Roles, responsibilities and targets for Safeguarding Champions are not included in performance agreements.
- The Safeguarding Policy for Children and Adults at Risk states that Safeguarding is referenced in the general conditions of contract for suppliers, however from discussion with the Community Services Manager, this is not the case.
- Members do not have access to the safeguarding policy online. There have been no recent or regular communications to staff or members to promote the policy.
- From a sample of five new starters, two had not completed safeguarding induction training within one month of appointment. Outstanding training has not been followed up recently due to other operational priorities. We were also advised that safeguarding training was provided to members in January 2020 but there is no record of attendance.
- 14 safeguarding concerns were recorded in ECINS between January 2020 and March 2021; concerns are only recorded in ECINS if the partner agency is not already aware meaning that ECINS is not a complete record of all safeguarding concerns raised. The policy does not include a timeframe for uploading concerns to ECINS and our testing showed for one of three records reviewed the concern was uploaded six weeks after the action. Our testing also showed a lack of consistency in recording of concerns with no log details provided for one and for another a report referred to was not attached.
- Although our testing showed that a Disclosure & Barring Service (DBS) Risk Assessment had been completed for posts recruited to, for a sample of new starters during 2020-21, one of five risk assessments was an out-of-date version.
- Although the Internal Safeguarding Board Terms of Reference (ToR) clearly set out responsibilities it was noted that they are 'draft' and dated January 2019. An annual review has not taken place.

Management Response / Update:

Action Plan has been prepared as a result of this review and will be discussed with all stakeholders to improve the processes in place and regularly monitoring by the Safeguarding Board.

6. Planning & Resourcing

The internal audit plan for 2020-21 was approved by the Audit Committee in March 2020.

The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Council. Section 7 details the reviews that have been added/removed/deferred to the original plan approved by the Audit Committee March 2020. Progress

against the plan is detailed below in Section 6. This plan will be delivered within the budget allocated as detailed in Section 8 of this report.

7. Rolling Work Programme

IT programme / Audit Review	Audit Sponsor	Risk	Days	Qtr.	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Comment
INFORMATION TECHNOLOGY											
IT Inventory Control and Licensing for Software (C)	HOBT	H	5	Q4	✓	✓	✓	✓	✓	Reasonable	
APPLICATIONS SYSTEMS IN SERVICE AREAS											
BACS Process(C)	HOF & P AND OTHER HOS	H	5	Q1/2	✓	✓	✓	✓	✓	Reasonable	
Systems Administrator Activities (C)	ALL HOS	H	12	Q4	✓	✓	✓	✓			
KEY FINANCIAL SYSTEM											
Payroll (Deferred from 2019/20) (C)	HOP & G	H	10	Q2/4	✓	✓	✓	✓	✓	Reasonable	
Main Accounting (Deferred from 2019/20) (C)	HOF&P	H	10	Q4	✓	✓	✓	✓	✓	Reasonable	

IT programme / Audit Review	Audit Sponsor	Risk	Days	Qtr.	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Comment
Car Parking Income and PCN Write Offs (C)	HOE& RS	H	10	Q2/4	✓	✓	✓	✓	✓	Reasonable	
Rent Collection (C)	HOHO	H	7	Q1/2	✓	✓	✓	✓	✓	Reasonable	
SERVICE AREAS											
Service Charges - Leasehold Flats(C)	HOS	H	10	Q4	✓	✓	✓	✓	✓	Limited	
Disability Facilities Grants Private Sector Housing (IA)	HOHD&C	H	10	Q3/4	✓	✓	✓	✓	✓	Reasonable	
Planning portal public comments on applications (IA)	HOP&ED	M	20	Q2/3	✓	✓	✓	✓	✓	Advisory	
Gas Servicing of boilers in council homes (IA)	HOHO	M	5	Q2	✓	✓	✓	✓	✓	Reasonable	
Decant and Demolition of council homes process (C)	HOHO	M	10	Q1/2	✓	✓	✓	✓	✓	Limited	
Loans paid for Rent Deposits in Advance to prevent homelessness (C)	SD	H	7	Q3/4	✓	✓	✓	✓	✓	Reasonable	

IT programme / Audit Review	Audit Sponsor	Risk	Days	Qtr.	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Comment
CORPORATE/CROSS CUTTING											
Compliance monitoring for council owned buildings re CIPFA guidance. (C)	HOF&P	M	7	Q1/2	✓	✓	✓	✓	✓	Limited	
Procurement levels with Suppliers (C)	HOF&P	H	10	Q1/2	✓	✓	✓	✓	✓	Limited	
Payments process for new housing repairs contractor (C)	HOHO	H	10	Q2/3	✓	✓	✓	✓	✓	Reasonable	
Safeguarding (C)	HOHD&C	H	7	Q3/4	✓	✓	✓	✓	✓	Limited	
Ethics including Declaration of Interests, gifts and Hospitality (C)	HOG&P	H	10	Q4	✓	✓	✓	✓		Reasonable	
Positions with sole responsibility for a service function including data returns to third parties risk mitigation strategies re – (IA)	Audit Committee	M	20	Q3/4	✓	✓	✓			Advisory	Delayed due to other work.

IT programme / Audit Review	Audit Sponsor	Risk	Days	Qtr.	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Comment
Exacom – CIL & S106 income via Agresso (C)	S151 Officer	H	7	Q3	✓	✓	✓	✓	✓	Limited	
No of Audit Plan days allocated			192								
Days currently allocated to Southern Internal Audit Partnership			137								
AP Days currently allocated to Internal Audit Manager			55								

8. Adjustments to the Internal Audit Plan

Audit reviews deferred or removed from the 2020-21 Audit plan	
Planning Housing Delivery Monitoring Process (Defer until 2021-22 Plan) (IA)	15 Days
Repair Recharges for Void properties to vacating tenants process (Defer until 2021-22 Plan re post not in place) (C)	10 Days
Post payment Business Grant compliance (To be included in 2021-22 Plan) (C)	10 Days
Health & Safety (until 2021-22 Plan Re outcomes of CIPFA Compliance review already completed in 2020-21) (C)	7 Days

Film and Events (Defer until activity increases) (C)	10 Days	<u>Total 52 Days</u>
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Audit reviews added to the 2020-21 Audit plan		
Positions with sole responsibility for a service functions including data returns provided to Third Parties, what risk mitigation strategies (AC)	20 Days	
Planning Portal re Public Comments on Applications (IA)	20 Days	
Exacom CIL income collection via Agresso (SD) (C)	7 Days	
Loans for rent deposits in advance re prevention of homelessness (C)	7 Days	
System Administrator Activities (Extra days re expanding of brief to 3 service areas and delays in responding to requests re providing information to complete the review)	2 Days	<u>Total 56 Days</u>

9. Other activities to be resourced from the Audit Service

National Fraud Initiative (NFI) - Internal Audit continues to support the NFI which is a biennial data matching exercise administered by the Cabinet Office. The data collections for the 2021/22 exercise have been uploaded to the Cabinet Office. The data matching reports were released on 28th January 2021. The timetable can be found using the following link [www.gov.uk NFI timetables](http://www.gov.uk/NFI%20timetables). Examples of data sets include insurance, payroll, creditors, Licencing, and Housing. Not all matches will be investigated but where possible all recommended matches are reviewed by either Internal Audit or the appropriate service area. An additional NFI exercise relating to Covid-19 grants was carried out and the results are being investigated thorough services procured by the Finance.

The service also continues to investigate any allegations of Fraud and internal investigations as required, including Social Housing Fraud.

10. Budget Expenditure to date

Cost Centre R0202 Internal Audit	Current Approved Budget	Committed/Salaries and NI and service costs.	Remaining Balance at 31/03/2021	Number of Audit Days Planned to be delivered (Incl IAM)
Total Internal Audit Budget	£152,000	£152,000	0	330 Days