

MUNICIPAL YEAR 2018/19 REPORT NO. 197

MEETING TITLE AND DATE:

Audit & Risk Management
Committee
6 March 2019

REPORT OF:

Director of Law & Governance

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Agenda – Part:	Item: 10
Subject: 2018/19 Audit and Risk Management Service Progress	
Wards: All	
Cabinet Member consulted:	

1. EXECUTIVE SUMMARY

- 1.1 This report summarises the work that the Audit and Risk Management Service has undertaken for the period 1 April 2018 to 31 January 2019.
- 1.2 Progress has been made with delivering the 2018/19 Internal Audit plan, with 98% of reviews having commenced. Of these, 38% have been finalised.
- 1.3 Tracking of agreed actions arising from internal audit work has confirmed that managers have implemented 61% of high priority and 49% of medium priority actions, which were due to be implemented by 1 February 2019. A summary of overdue high-risk audit recommendations is also presented.
- 1.4 A summary of proactive, reactive and preventative fraud work that has been undertaken by the Counter Fraud Team is reported.
- 1.5 For the first time, performance measures related to the activity of the Insurance Team are included. Additionally, information in relation to a significant new claim is given.
- 1.6 Details of performance measures for the Internal Audit Service are also presented.

2. RECOMMENDATIONS

- 2.1 To note the progress made in delivering the Audit and Risk Management Service's 2018/19 work plan and the outcomes achieved to date.
- 2.2 To note managers' progress with the implementation of agreed actions arising from internal audit work.
- 2.3 To note the outcomes from the work of the Counter Fraud Service to date.
- 2.4 To note the performance of the Insurance Team to date and the incidence of a significant new claim

3. BACKGROUND

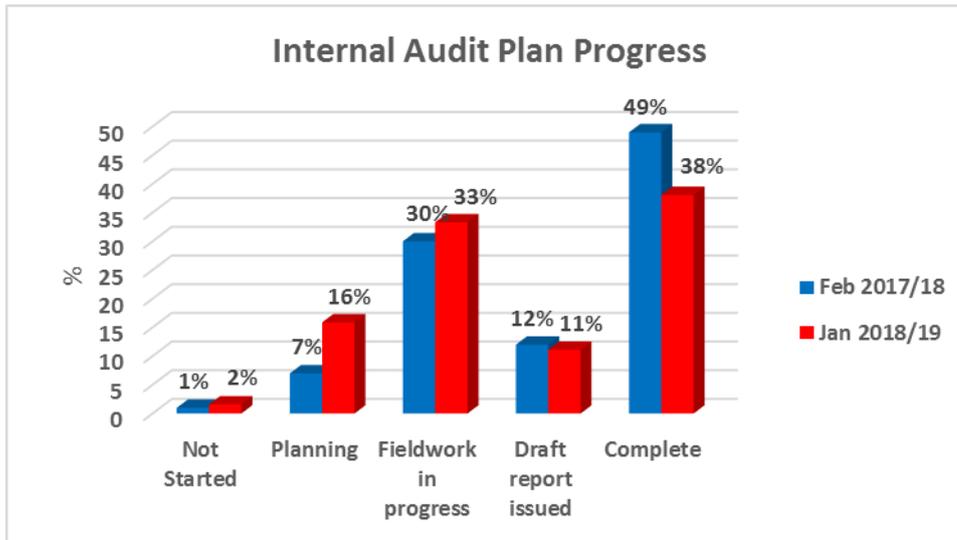
- 3.1 The Audit and Risk Management Service carries out its duties in accordance with appropriate professional standards, including the Public Service Internal Audit Standards (PSIAS). These standards require regular reporting of progress with planned activities to senior managers and the Audit & Risk Management Committee.
- 3.2 The Internal Audit Plan for 2018/19 was submitted to and agreed by the Audit & Risk Management Committee on 7 March 2018.
- 3.3 This report summarises the work completed by the Audit and Risk Management Service (ARMS) between 1 April 2017 and 31 January 2018

2018/19 Audit and Risk Management Service Progress Update

Internal Audit

- 3.4 During the period 1 April 2018 to 31 January 2019, the Internal Audit team has commenced 62 assignments (98% of the current plan) of which 24 (38%) have been completed. For the period 1 April 2018 to 28 February 2019, 99% of assignments had commenced with 49% completed. The following chart summarises this progress.

Chart 1: 2018/19 Internal Audit Plan Progress vs 2017/18



Annex 1 provides a more detailed analysis of the status of each review.

Changes to the 2018/19 Internal Audit Plan

3.5 Since the audit plan was approved by Audit & Risk Management Committee in March 2018, 20 assignments have been added and nine have been deferred/cancelled as shown in Annex 2.

Completed Audits

3.6 24 audits have been completed as detailed in the table below.

Table 1: Completed Audit Assignments

Area	Assignment	Assurance Opinion
Place	BEGIN Grant Certification	N/A – grant certification
People	Tottenham Infants School	Substantial
People	Chace Community School	Reasonable
Resources	Teachers’ Pensions	N/A – management letter
Place	Communal Assets	Limited
Place	Bush Hill Park Major Works	N/A – management letter
Resources	EIL Savills’ Contract	N/A – management letter
People	The Latymer School	Limited
People	Russet House School	Reasonable
Chief Exec’s	Annual Governance Statement	Reasonable
Place	Repairs and Maintenance (Responsive Repairs)	Limited
People	Troubled Families Grant Phase 1	N/A – management letter

People	Troubled Families Grant Phase 2	N/A – management letter
People	Enfield County School for Girls	Substantial
People	St. Michaels CE Primary School	Substantial
Resources	Key Financial Systems– Continuous Monitoring	Reasonable
Resources	Call Centre and Customer Services	Reasonable
Place	Small Housing Sites	N/A – management letter
People	Enfield County – Schools Direct Grant Certification	N/A – grant certification
Place	Parks and Open Spaces	Limited
People	Bishop Stopford’s School	No
Resources	Homecare/Support	No
People	Care Management Teams	Reasonable
Place	Highway Assets – Contractor Cost Management	Reasonable

3.7 The following summaries from the audit reports briefly explain the reasoning behind the No and Limited Assurance opinions issued since the last Audit and Risk Management Committee meeting: Internal Audit have worked with service areas to develop action plans and will monitor these until actions have been implemented.

Bishop Stopford’s School – No Assurance

We identified four high risks findings relating to:

- A requirement to ensure that the Council’s Contract Procedure Rules are adhered to before all contracts are entered into and that expenditure over the Headteacher’s delegated limit is approved by the Governing Body or delegated committee.
- Monthly reconciliations for the School’s bank account, commercial card and petty cash not being undertaken and reviewed in a timely manner.
- The School’s private fund account not being annually audited since 2015/16.
- The School paying for insurance cover with two different providers, one of which is duplicative.

A further 12 medium and five low risk findings were also identified.

Home Care/Support – No Assurance

This review identified three high risk, five medium risk and one low risk finding.

The following high-risk findings were identified:

- There was no effective framework of standards to measure providers against and there were no documented policies and procedures. Therefore, the process could not be shown to be robust and decisions made could not be shown to be fair and transparent.
- The new provider review did not:
 - include a financial assessment
 - require providers to undertake overseas police checks for staff recruited from abroadThis means the Council had not taken steps to minimise the prospect of unplanned provider failure or the risk of residents not being properly safeguarded.
- No reviews on existing providers had been undertaken for at least eight months

A further five medium risk and one low risk findings were also identified.

Parks and Open Spaces – Limited Assurance

This review identified 1 high risk finding, 3 medium risk findings and 2 low risk findings.

There was a key finding in relation to a lack of a quality assurance framework to ensure the satisfactory completion and quality of inspection and repair work performed by the Council's contractors, which may expose the Council to risk in the event of injury to park users. There were also findings in relation to insufficient contract monitoring procedures and checks over the accuracy of contractor invoices. The service's central spreadsheet listing faults identified in parks contained inaccuracies, and there was no systematic reporting to management on the function's performance. As such, we are only able to give limited assurance over the design and operation of controls in place over the areas covered by this audit.

The following *high risk* finding was identified:

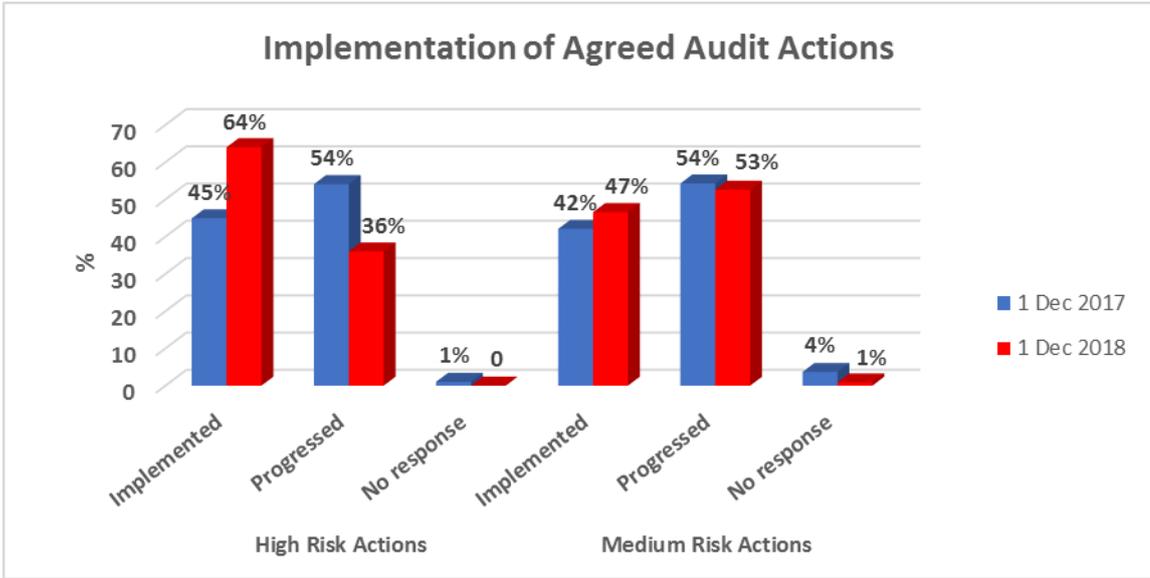
- **Inspections and Repairs Quality Assurance** – A contractor, ARD, conducts inspections and repairs of play equipment on behalf of the Council. However, there is no formal quality assurance framework around the work performed by ARD. Checks performed by the Council are limited to undocumented system checks and ad hoc spot checks of repairs, with pictorial evidence of the repair's completion retained. There is no documented quality assurance obtained over ARD's inspections. Without a formal quality assurance framework, risks to user health and safety may not be mitigated, which may result in serious injury to park users, and consequent legal, financial and/or reputational damage to the Council.

A further 3 medium and 2 low risk findings were identified.

Managers’ progress with implementing internal audit actions

- 3.8 The Internal Audit and Risk Management team is responsible for tracking managers’ progress with the implementation of internal audit actions.
- 3.9 The results of follow-up work relating to actions that were due to be implemented by 1 February 2019 are summarised in the chart below. Overall, 61% of high risk and 49% of medium risk actions had been fully implemented by that date.
- 3.10 Of the 20 high risk actions that were overdue at 1 February 2019, 7 related to schools (St Ignatius College, The Latymer School, Latymer All Saints Primary, Bishop Stopford’s School and Highfield Primary School).
- 3.11 Details of the remaining 13 high risk actions in progress are provided in Annex 3.
- 3.12 By comparison, only 46% of high risk actions were implemented by 1 February 2018. An improved tracking process together with the Assurance Board reviewing outstanding high and medium risk actions directly with action owners have contributed to this positive direction of travel.

Chart 2: Managers’ progress with implementation of agreed audit actions



Internal Quality Assessment

- 3.13 The performance of the Internal Audit service for 2018/19 to 31 December 2018 is shown in the following table:

Table 2: Internal Audit Quality Assurance Measures

KPI / Quality Metric	Target	Actual (Average)
Days from end of fieldwork to issue of draft report	15	18
Days from issue of draft report to receipt of management comments	15	16
Days from receipt of management comments to issue of final report	10	7
Level of satisfaction score with audit work	80%	82%
% of the audit plan delivered to draft report stage	95% (by 31 March)	49%

Counter Fraud Highlights

3.14 The Counter Fraud team continues to deliver good outcomes. Tables 3 and 4 show results achieved by 31 January 2019:

Table 3: Overall Counter Fraud Achievements

Category	Annual Target	Achieved as at 31 January 2019	Notional Value*	New Build Value*
HOUSING				
Council Housing recoveries	60	58	£1,044k	£8.7m
Temporary accommodation recoveries	40	31	£77.5k	n/a
TOTAL	100	89	£1,121k	£8.7m
OTHER				
Savings identified **	£2,000,000	£3,604,545		

* Included with effect from January 2019. Central Government estimate a loss to the public purse of £18k per property that has been subject to social housing fraud; in addition, the Chartered Institute of Housing estimate the average cost of building a new home to be £150k. The Notional Value of a Temporary Accommodation recovery is based on the net annual cost to the Council of acquiring a property for use as temporary accommodation.

** Includes overpayments identified or recovered, as well as potential future income and the estimated value of losses prevented by the detection and interception of fraud and improvement of controls – please see Table 3 below.

Table 4: Counter Fraud Savings Analysis

	Investigations		Prevention	Total
	Saved for LBE £	Saved for DWP £	Saved for LBE £	£
Housing Benefit (DWP)		265,595		265,595
Council Tax Support	35,420			35,420
Council Tax Single Person's Discount	3,760			3,760
Benefit Penalties	470			470
No Recourse to Public Funds (£17.2k per application refused)			430,000	430,000
Right to Buy (Value of discounts refused)			2,869,300	2,869,300
TOTAL	36,950	265,595	3,299,300	3,604,595

3.15 Council Housing

The Counter Fraud Team continue to support the Council Housing Department by providing 3 full-time investigators in this area.

During the period 1 April 2018 to 31 January 2019, this joint approach has led to the recovery of 58 properties, as follows:

Table 5: Council Housing Recoveries

Recovery Category	No
Abandoned	27
No Right of Assignment	15
Not sole or principal home	10
Sub-let	4
Tenancy obtained by deception	1
Occupied by squatters	1
Total	58

In addition, enquiries undertaken by our Right to Buy Investigator has resulted in the cancellation of 29 applications submitted by tenants. Had these 29 sales been allowed to complete, the Council would have allowed discounts totalling £2.869m against the various purchase prices.

In one such case, a tenant who was asked to provide proof of funding for his proposed purchase submitted confirmation that he had obtained a loan from the Bank of Montserrat.

Further enquiries revealed that the tenant was in fact working for the Montserrat government, and also that he had also received relocation expenses as part of his employment package.

When challenged, this tenant – who had been due to receive a discount of £98,000 against the market valuation of his property - chose to surrender his tenancy and the keys were subsequently returned to the Council.

The property concerned has since been let to a new tenant in genuine need of permanent accommodation.

3.16 No Recourse to Public Funds (“NRPF”)

The work of the Counter Fraud Investigator who is co-located with the NRPF Team on a full-time basis has resulted the refusal or cancellation of 25 applications for support.

The 25 cancelled cases equate to a saving of £430k per annum based on figures provided by the NRPF Network, who estimate that it costs £17.2k per annum to support a household who have no recourse to public funds.

In a further 4 cases, the level of financial support due to be provided by the Council was reduced after the investigator identified that the applicants had additional sources of income that they had not initially declared to the Council.

Annex 4 provides a more detailed summary of the Counter Fraud Team’s activities (Table 1), plus a summary of housing investigation work (Table 2).

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Insurance Highlights

3.17 **Significant new claim**

Insurance have received a claim where a man fell from a dog training ramp in a park in August 2018. Significant spinal injuries were sustained. Insurers have been notified as it is likely the reserve will exceed the £500k deductible. DAC Beachcroft Solicitors have been instructed and we are awaiting their advice on the reserve and actions.

3.18 Performance of the Insurance Team against 2018/19 KPIs is summarised in the table below:

Table 6: Insurance Team Performance against 2018/19 KPIs

KPI / Quality Metric	Target	November Actual
% of new claims responded to within 24 hours	100%	88%
% of other correspondence processed within 10 days	80%	76%
Data accuracy - % of claims data correctly input in insurance database	90%	92%
Number of Pre-Action Disclosure Applications against the Council	Max. of 5	0
Reserve retained	50%	56%

3.19 Current abuse cases notified to the Insurance Team are summarised in the table below:

Table 7: Current Abuse Cases Notified

Incident Date	Service Area	Notification Date	Allegations	Total Reserve
01/04/2013	Schools - Secondary	18/09/15	Abuse/Sexual Assault	£135,000
16/10/2001	Safeguarding	19/05/16	Failure to protect	£80,000
01/04/1982	Schools – Secondary	22/01/18	Historic abuse	£100,000
01/04/1982	Schools - Secondary	12/09/18	Historic abuse	£70,000

3.20 The team's key successes in 2018/19 are provided in the table below:

Table 8: Insurance Team Key Successes 2018/19

Service Area	Incident Date	Claimant Allegation and (Reserve £)	Outcome
Housing	27/05/2014	Trip (£19,700)	Claim discontinued pre-trial
Highways	25/01/2014	Paving trip (£51,926)	Claim discontinued at trial
Housing	29/04/2014	Scaffolding fell on claimant (£82,787)	Claim discontinued pre-trial
Schools	20/05/2014	Assault by a pupil (£25,500)	Claim discontinued pre-trial
Housing	20/05/2015	Celling fell on claimant (£39,500)	Claim discontinued pre-trial
Highways	25/09/2017	Motorist collided with Cycle Enfield Build Out (£3,415)	Claim discontinued pre-trial
Highways	28/04/2017	Paving Trip (£20,250)	Claim discontinued pre-trial
Total costs avoided			£243,078

Attempts are made on all discontinued claims to recover the Council's defence costs

4. ALTERNATIVE OPTIONS CONSIDERED

There are no other options which can be considered as these matters need to be reported to the Audit and Risk Management Committee.

5. REASONS FOR RECOMMENDATIONS

These items are being brought to the attention of the Audit and Risk Management Committee in line with the requirements of the Accounts and Audit Regulations 2011.

6. COMMENTS OF THE EXECUTIVE DIRECTORS

6.1 Financial Implications

There are no specific financial implications relating to this report, other than those identified in the separate appendices. Any financial implications that may arise from the Audit and Risk Management reports are such that they will be dealt with as part of the action plans of those reports.

6.2 Legal Implications

The Accounts and Audit (England) Regulations 2015 (“the Regulations”) have established requirements related to systems of internal control and the review and reporting of those systems. The main purpose of the Regulations is to provide for greater accountability, transparency and openness in the provision of information and providing for improved access to accounts by electors, and to encourage consistent standards by requiring proper accounting practices to be followed, and by encouraging authorities to take corporate responsibility for their decisions. This report has been completed as part of the reporting process and in accordance with the above Act and Regulations.

6.3 Property Implications

There are no specific property implications that have not already been highlighted within the Audit and Risk Management reports referred to in this report.

7. KEY RISKS

Any large, complex organisation needs a well-established and systematic risk management framework in place to identify and mitigate the many risks it may face. As part of the Council’s framework, individual Internal Audit reports document the specific risks that arise from the findings of the audits. These are addressed by mitigating actions agreed by relevant managers, which are then monitored in accordance with target implementation dates. This report forms part of the risk management and governance process.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Good Homes in Well-Connected Neighbourhoods

An effective Audit and Risk Management Service helps to provide assurance over any risks that might adversely affect the delivery of good homes in well-connected neighbourhoods.

8.2 Sustain Strong and Healthy Communities

An effective Audit and Risk Management Service will help the Council achieve its objectives to sustain strong and healthy communities.

8.3 Build our Local Economy to Create a Thriving Place

An effective Audit and Risk Management Service will help the Council achieve its objectives in building the local economy and creating a thriving place.

9. EQUALITIES IMPACT IMPLICATIONS

Corporate advice has been sought regarding equalities and an agreement has been reached that it is not relevant or proportionate to carry out an equalities impact assessment/analysis for this report.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

An effective Audit and Risk Management Service is an essential part of the performance management of the Council's services and activities.

11. HEALTH AND SAFETY IMPLICATIONS

There are no direct health and safety implications arising directly from the Audit and Risk Management reports.

12. HR IMPLICATIONS

There are no direct HR implications arising from this report.

13. PUBLIC HEALTH IMPLICATIONS

Items summarised in this report do not have a direct impact on the health and well-being of the public in Enfield.

Background Papers

None

Annex 1 – 2018/19 Audit Plan Status

Area	Review Title	Current Status
Cross Cutting	Leavers	Fieldwork in progress
Cross Cutting	Fees and charges (commercialism)	Fieldwork in progress
Cross Cutting	Ethical Standards	Fieldwork in progress
Cross Cutting	Capital budget management	Fieldwork in progress
Cross Cutting	Voluntary Organisations	Planning
Chief Exec's	Data quality	Deferred
Chief Exec's	Annual Governance Statement	Complete
Chief Exec's	Mayors Charity	Draft report issued
Place	Repairs and maintenance – (responsive repairs)	Complete
Place	Housing Capital Projects - major works and estate renewal	Fieldwork in progress
Place	Communal assets	Complete
People	Pupil places	Fieldwork in progress
People	Adoption	Deferred
People	Looked After Children - Missing Children	Draft report issued
People	School Transport	Cancelled
People	Troubled Families' Grant Claims 1	Complete
People	Bishop Stopford's School	Complete
People	Highlands School	Deferred
People	Enfield County School	Complete
People	The Latymer School	Complete
People	Chace Community School	Complete
People	Freezywater St Georges CofE Primary School	Draft report issued
People	Winchmore School	Planning
People	St Michael's CofE Primary School	Complete
People	Hadley Wood Primary School	Draft report issued
People	Eastfield Primary School	Cancelled
People	St Edmunds Catholic Primary School	Planning
People	Oakthorpe Primary School	Deferred
People	St Monica's RC Primary School	Planning
People	Tottenham Infant School	Complete
Resources	Key financial systems--continuous monitoring	Complete
Resources	Teachers Pensions	Complete
Resources	Disabled Facilities Grants	Planning
Resources	Private Sector Housing Payments	Fieldwork in progress
Resources	Commissioning (Brokerage)	Fieldwork in progress
Resources	Call Centre and Customer Services	Complete
Resources	Business systems (Eclipse),	Fieldwork in progress
Resources	VAT	Planning
Resources	Freedom Passes	Fieldwork in progress
Resources	Business systems access security	Fieldwork in progress
Resources	Data protection – compliance with GDPR	Draft report issued
Resources	Cyber security	Fieldwork in progress
Place	Sheltered Housing	Planning
People	Home Care/Support	Complete
People	Care Management Teams	Complete
People	Mental Health Services	Fieldwork in progress
People	Safeguarding Practice - Merlins	Fieldwork in progress

Area	Review Title	Current Status
Place	Highway Assets	Complete
Place	Regeneration projects – e.g. Alma estate	Planning
Place	Parks, Open Spaces and Street cleansing	Complete
Place	Car Parking	Fieldwork in progress
Place - NEW	BEGIN grant certification	Complete
Resources - NEW	Business systems (Liquid Logic)	Fieldwork in progress
Resources - NEW	Business systems (Civica)	Fieldwork in progress
People - NEW	Enfield County School - Grant Certification	Complete
People - NEW	Highlands School - Grant Certification	Deferred
People - NEW	Troubled Families Grant Claims - Phase 2	Complete
People - NEW	Troubled Families Grant Claims - Phase 3	Not yet started
Place - NEW	Bush Hill Park - Major Works project	Complete
People - NEW	Eversley Primary School	Fieldwork in progress
Resources - NEW	EIL – Savills' Contract	Complete
Resources - NEW	HGL – Acquisitions	Fieldwork in progress
Resources - NEW	HGL - Income Collection	Fieldwork in progress
Resources - NEW	HGL - Repairs and Maintenance	Planning
Resources - NEW	Housing Allocations	Draft report issued
Resources - NEW	LATC Governance	Draft report issued
Resources - NEW	LATC - Assets	Deferred
Resources - NEW	IWE – Service Delivery & Income Management	Planning
Resources - NEW	IWE Bridgewood House	Fieldwork in progress
People - NEW	Russet House School	Complete
Place - NEW	Small Housing Sites	Complete

Annex 2 – Changes to the 2018/19 Approved Internal Audit Plan

Area	Audit	Change	Explanation
Place	BEGIN grant certification	+1	Requested by management
Resources	Business systems (Liquid Logic)	+1	Systems development allocation split among three systems
Resources	Business systems (Civica)	+1	Systems development allocation split among three systems
People	Enfield County School - Grant Certification	+1	Requested by school
People	Highlands School - Grant Certification	+1	Requested by school
People	Troubled Families' Grant Claims - Phase 2	+1	Troubled families' allocation split among three grant submissions
People	Troubled Families' Grant Claims - Phase 3	+1	Troubled families' allocation split among three grant submissions
Place	Bush Hill Park - Major Works project	+1	Requested by management
People	Eversley Primary School	+1	Requested by management
Resources	EIL - Savills Contract	+1	Identified from risk assessment for trading companies
Resources	HGL - Acquisitions	+1	Identified from risk assessment for trading companies
Resources	HGL - Income Collection	+1	Identified from risk assessment for trading companies
Resources	HGL - Repairs and Maintenance	+1	Identified from risk assessment for trading companies
Resources	Housing Allocations	+1	Requested by management
Resources	LATC Governance	+1	Identified from risk assessment for trading companies
People	School Transport	-1	Requested by management to follow revision of policy
People	Eastfield Primary School	-1	Academy order in place
Resources	Local Authority Trading Companies	-1	Additional individual LATC audits added
Resources	LATC - Assets	+1	Identified from risk assessment for trading companies
Resources	IWE Service Delivery & Income Management	+1	Identified from risk assessment for trading companies
Resources	IWE Bridgewood House	+1	Identified from risk assessment

Area	Audit	Change	Explanation
			for trading companies
People	Adoption	-1	Requested by management. Audit to follow regionalisation
People	Highlands School	-1	Requested by management
People	Russet House School	+1	Requested by management
Place	Small Housing Sites	+1	Requested by management
People	Oakthorpe Primary School	-1	Requested by management
People	Highlands School - Grant Certification	-1	Certification not required
Resources	LATC Assets	-1	Requested by management
Resources	Data Quality	-1	Requested by management
	BALANCE	+11	

Annex 3 – Overdue High-Risk Audit Actions At 1 February 2019

Audit Name	Due Date; Revised Target Date	Action	Dept.
Progressed actions – overdue > 3 months			
Data Centre Migration	01/10/2017; 01/4/2019	<p>Unsupported Operating Systems and Databases</p> <ul style="list-style-type: none"> a. We will revisit the remediation plan for business-critical systems hosted on virtual servers with operating systems and databases that will come out of Azure support during 2017 and look to accelerate the timelines to reduce the window of exposure. b. A report on Cyber security risk to CMB/SDB is being presented and this emphasises the need for progress and requests support from the business. This will include a list of all systems that are (or will soon become) out of Azure support, from which there will be agreement as to which systems will be retired. For the remainder, a properly funded initiative to address the compatibility issues will be agreed. c. A list of all applications and operating systems out of support is maintained. <p>A further update to the Assurance Board is due in March 2019.</p>	Resources
Data Centre Migration	01/11/2017; 01/04/2019	<p>End to end recovery</p> <p>Critical dependencies will be identified, and these IT services moved into scope. Council future ITDR plans should take these interdependencies into account. Testing of the service was originally planned for October 2017; we believe from previous testing that dependencies were identified sufficiently for a disaster situation (note, this is very different to a business continuity situation).</p> <p>A further update to the Assurance Board is due in March 2019.</p>	Resources

Audit Name	Due Date; Revised Target Date	Action	Dept.
Expenses	31/03/2015; 01/10/2018	<p>Validation of Authorised Claims A formalised process should be agreed and incorporated in the policy and procedures as to how authorisation of expense claims will be confirmed as appropriate. Consideration should be given to permitting submission of electronic claims, supported by an email trail confirming authorisation, and declarations from the claimant and the authorising officer. If hard copy claims are used, the form should require the name of the authorising officer to be printed alongside the officer's signature.</p> <p>Update to the Assurance Board February 2019 – testing underway but issues to be resolved. Further update the Assurance Board is due in May 2019.</p>	Resources
Major Works Projects	01/09/2017; 01/05/2019	<p>Payment Applications The process for payment applications should be reviewed and amended to ensure that the same items cannot be charged for twice. The Clerk of Works visits should be utilised to validate applications for payment against a verified schedule of works.</p> <p>Further update to the Assurance Board is due in May 2019.</p>	Place
Leaseholder Service Charges	01/07/2018; 01/02/2019	<p>Ability of leaseholders to opt out of individual works A formal process and procedure will be developed for leaseholders to opt out of individualised works where the lease allows, taking into account any relevant regulations or legislation which may influence works.</p> <p>The policy around this has been drafted and is ready for sign off.</p>	Place

Audit Name	Due Date; Revised Target Date	Action	Dept.
Leaseholder Service Charges	01/07/2018;	<p>Communication protocols and information exchange with Major Works team during projects</p> <p>Communication protocols will be determined, documented and agreed between the Home Ownership Manager and the Major Works Programme Delivery (MWPD) Manager, for approval by the Head of Operations and the Head of Capital Programme.</p> <p>The procedures agreed will ensure that sufficient information is exchanged to enable the Service Charges & Major Works (SCMW) team to remain aware of project developments and progress. In particular:</p> <ul style="list-style-type: none"> · Appropriate officers within the SCMW team will receive copies of monthly progress reports produced for each project. This will be utilised by the team to maintain their own monitoring records for project costs and progress. · The MWPD Manager will meet on a quarterly basis with the SCMW Team Manager, to discuss current projects' progress, and the forthcoming planned programme of projects. · Procedures will ensure a systematic review process to check final s20 information received for accuracy. 	Place
IT Operating Model Follow Up	01/08/2018; 01/04/2019	<p>Toolset configuration</p> <p>A Service Now Partner will be appointed, and a workshop will be scheduled to prioritise and formulate a prioritised implementation plan for tools that need development.</p> <p>A further update will be given to the Assurance Board in March 2019.</p>	Resources

Audit Name	Due Date; Revised Target Date	Action	Dept.
Transport Services	01/08/2018; 01/11/2018	<p>Goods Receipting</p> <p>The Transport Service will ensure that:</p> <ul style="list-style-type: none"> a) When a permanent change has been made to a route and/or the details i.e. cost, number of pick-ups, etc., the Mission system will be promptly updated accordingly. b) When unforeseen changes arise, that affect an agreed route, a note will be recorded (on the system if possible) and/or a spreadsheet will be maintained and updated to document all unexpected and/or unplanned changes, which will be used for the monitoring and goods receipting of invoices. Where invoices include changes that have not been pre-approved, payment will be withheld. c) Any discrepancies identified will be recorded on the invoice, along with the action taken and the outcome of the dispute prior to the invoices being paid. d) Any active routes that are not being picked up on Mission will be looked into so that corrective action can be undertaken, and appropriate goods receipting can take place. e) Any routes that are waiting to be input on to Mission will be uploaded accordingly. f) An examination of payments made in relation to ad-hoc route number CAB6892 is undertaken, to determine whether the service has been correctly invoiced for the Passenger Assistant and transport provided, prior to November 2017, and any corrective action identified will be undertaken. g) All future invoices relating to ad-hoc route number CAB6892 will be correctly labelled. The Service will also consider whether this ad-hoc route should be recorded as an active route instead of being referred to as ad-hoc as it has been in operation for four years. h) Delegating the checking of invoices to another member of staff will be considered, to free up the Transport Services Manager time. <p>Updated the Assurance Board February 2019. Full implementation will be in place within 2 months.</p>	Place

Audit Name	Due Date; Revised Target Date	Action	Dept.
Capital Projects	01/10/2018; 01/04/2019	<p>Procurement of Contract Administrators Wherever possible, contract administration tasks will be assigned to in-house officers through appropriate job descriptions and structures. Where consultants are utilised, management will utilise framework agreements to procure CAs through mini-tender in order to demonstrate probity and will schedule procurement via a programme plan tracking spreadsheet, such that it is arranged sufficiently in advance to facilitate an effective process.</p> <p>Further update to the Assurance Board is due May 2019.</p>	Place
Capital Projects	01/10/2018; 01/04/2019	<p>Provisional items or quantities Housing Property Services will ensure that independent advance surveys are planned and undertaken for all forthcoming projects, to inform more accurate specifications and tendered costs. Where advance surveys are not possible or economic to undertake (e.g. tower block roofing repairs), a maximum costing approach will be utilised to ensure that the specification, budget and tender covers the maximum anticipated costs.</p> <p>Further update to the Assurance Board is due May 2019.</p>	Place
Capital Projects	01/10/2018; 01/04/2019	<p>Quality of tendered specification Tender documentation will be authorised for release by the Project Manager only when all relevant information is included and following a quality check. This will be evidenced by documented checklist, wherein the Project Manager will confirm in particular that: - Tender documentation is presented in the correct format; - Tender documentation is complete; and - Tender documentation does not include unnecessary personal details of tenants, leaseholders or any other personal data held by the Council.</p> <p>Further update to the Assurance Board is due May 2019.</p>	Place

Audit Name	Due Date; Revised Target Date	Action	Dept.
Progressed actions – overdue < 3 months			
Management of Green Belt	01/12/18; 01/01/20	Current and future contractual arrangements a) We will begin a new contract re-tender process for management of the green belt, in a manner which will test the market to ensure the Council obtains value for money. b) We will work with Legal and Knight Frank / GVA to develop an interim agreement or contract to govern and monitor the arrangement for green belt management between now and the award of any new contract.	Place
Communal Assets	01/02/2019	Record Keeping and Documentation <u>Wheatsheaf Hall</u> a) The hire agreement form will be amended to enable the Council's delegated officer to sign the hire arrangement. b) Confirmation of appropriate insurance covering the period of hire will be obtained from the hirer prior to the commencement of the hire and evidence of this will be retained	Place

Annex 4 – Counter Fraud Activities

Table 1 Counter Fraud Team – Summary of Outcomes (1 April 2018 – 31 January 2019)

Fraud Type	Current caseload	Outcomes on completed cases 01/04/2018 – 31/1/2019						
		Resignation	Dismissal	Disciplinary	Other *	Prosecution	No Further Action	Reports issued
Employee fraud	3						3	3
Members	-							
Direct Payments	4						1	
Breach of financial regulations (Schools)	-	1		2	3			
School Admissions	1							
Confiscation/Financial Investigation	1							
Theft	-		1					
Procurement	-							
Fraud (other)	2							
Local taxation fraud	36				120	1	48	
Proactive exercises	6							
No Recourse to Public Funds	10				29			105
Right to Buy	9				29			94
Totals	72	1	1	2	181	1	52	202

*Other outcomes include:

Category	No. of cases	Outcomes
Breach of Financial Regs (Schools)	3	Funds being repaid
Local Taxation Fraud	120	62 overpayments raised, 57 cases referred to the DWP for further investigation, 1 financial penalty imposed.
No Recourse to Public Funds	29	25 cases where support withdrawn or not approved, plus 4 where payments were reduced
Right to Buy	29	29 applications halted.

Annex 4 (cont'd) – Counter Fraud Activities

Table 2: Housing Investigations Team Summary Outcomes (1 April 2018 – 31 January 2019)

Fraud Area	Current Caseload	Properties recovered	Recovery Value	Prosecution	Prosecution Value	POCA / Unlawful profit orders
Housing	81	58 Council Housing; 30 Temporary Accommodation (nightly paid); 1 Housing Association.	£9.821m * * Combined Notional and New Build Value (please refer to main report – Table 2: Overall Counter Fraud Achievements)	-	N/A	-