

Appendix C – Quarterly Report on Internal Audit and Counter Fraud Work

RECOMMENDATIONS FROM AUDIT REPORTS WHICH REMAIN OUTSTANDING AFTER FOLLOW UP

COLOUR KEY

High Risk
Medium Risk
Low Risk

REPORTS ISSUED 20/21

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
Business Continuity Planning November 2020	Minimal	4	0	0	Dec 23	Sixth +	Substantial	1	0	0	Feb 23	Business Continuity Plans for every department must be completed and adopted as soon as possible. (6 months)	<u>AUDIT COMMENT</u> Only Tourism BCPs are outstanding. The Senior Events and Seafront Manager has been contacted with regard to BCPs in his area and these have not yet been completed. Following comments made at the November Audit and Governance Committee meeting, the Director of Tourism, Culture and Organisational Development was contacted for comment regarding other areas of Tourism. No response was received.

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<p>Arrears Collection</p> <p>January 2021</p>	Partial	2	2	3	07.11.22	Fourth	Substantial	0	0	1	Jan 24	<p>An overarching corporate arrears collection strategy must be drawn up and adopted, under which the separate policies for the individual debt streams sit, to ensure council departments responsible for collecting monies are acting in accordance with approved guidelines.</p> <p>(3 months)</p>	<p><u>AUDIT COMMENT</u></p> <p>Centralised debt collection is due to begin in February 2024. The Lead for Income Maximisation and Welfare has confirmed that writing a Corporate Fair Debt Policy is on the priorities list for 2024/25</p>

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REPORTS ISSUED 22/23

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
Construction Industry Scheme February 2022	Partial	0	6	0	28.09.23	Second	Substantial	0	2	0	In draft	Procedures for CIS payments must be written up and regularly updated as directives from HMRC change. (6 months)	<p>First follow up Procedures for CIS payments will be developed and regularly updated in line with the HMRC changes.</p> <p>Second follow up The Systems and Transactional Manager confirmed that procedure notes for CIS have not been written. Resourcing issues are currently impacting on the team's ability to undertake this work and therefore an estimated date for completion was not possible. It was suggested that it may require outside help in order</p>
												When a new supplier is set up on the system, a visual refence (screenshot or HMRC document) must be saved to the supplier's file to establish the supplier's starting tax status. (6 months)	<p>First follow up Auditor took 14 samples of new suppliers set up on CAFi in 2021/22 and only one had saved HMRC screenshot. The new Creditor Team Leader agreed that a reminder will be sent to relevant staff.</p> <p>Second follow up 10 most recent new suppliers were taken as samples. 6 had verification screenshots on file. The Systems and Transactional Manager confirmed that the lack of procedures is probably</p>

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													impacting on the consistency of this process. A reminder has been sent to the team.
Complaints August 2023	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Mar 24	An aligned complaint management policy for defining and handling customer complaints must be drafted, implemented, and regularly reviewed. It must meet all complaint management requirements to avoid the need for separate supplementary policies. (6 months)	Head of Business Planning and Performance The draft Complaint Management policy is now written, and we are due to take this for formal sign off by members at February [2024] Cabinet.
												An aligned complaint management procedure for handling customer complaints and the associated record-keeping requirements must be drafted, implemented, and regularly reviewed. It must meet all complaint management requirements to avoid the need for separate supplementary procedures. (6 months)	Head of Customer First Once the policy has been agreed this will be developed. Target completion date March 2024.
												All council-wide complaint management documents and user guides must be reviewed, updated, and implemented to address inconsistencies and omissions. All documents must have	Head of Customer First Once policy has been agreed this will be developed. Target completion date March 2024.

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												quality assurance cover sheets. (6 months)	
Complaints August 2023 continued	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Mar 24	The support available to those who may otherwise struggle to make a written complaint must be widely and consistently communicated. (3 months)	Head of Customer First The Contact Centre have been reminded as to how they can take complaints verbally. No customer comms has been issued but we can include this when we launch the updated policy. Website is being updated as part of new website project. Target completion date for this action March 2024.
												Consideration must be given to procuring a dedicated complaint management system that meets all complaint management, recording and reporting needs. (6 months)	Head of Customer First Being considered by accelerating change steering group. No current update but will be discussed in January 2024.
												Complaints management system templates must support good documentation and record keeping practices. (3 months)	Head of Customer First Work not yet started will be started once policy is agreed. Target date for work to start March 2024

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Complaints August 2023 continued	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Mar 24	<p>Complaints must be handled in line with the documented complaints procedures and the complaint management system must be used as it is intended to be used. Mandatory training programmes must be devised and implemented for both managers responsible for implementing and overseeing the complaints management process, and staff assigned to investigate, respond to, and record complaints.</p> <p>All staff handling complaints, including all frontline staff, must complete the online Customer Complaints Procedure training course on the councils' online learning portal, Online Learning in Lewes and Eastbourne (OLLE).</p> <p>(6 months)</p>	<p>Head of Customer First</p> <p>The OLLE training has been reviewed and is being amended. CMT have been asked to consider making the training mandatory. This has been included in the policy that will go to Cabinet in Feb 24.</p>
												<p>All records supporting a complaint request / complaint must be appropriately stored and retained together. An explanatory file note must be left on the original complaint file for aborted and cancelled complaints.</p> <p>(6 months)</p>	<p>Head of Customer First</p> <p>Will be part of the training package.</p>

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Complaints August 2023 continued	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Mar 24	A process must be implemented to ensure complaints are resolved and closed in a timely manner. (3 months)	Head of Customer First Work not yet started. Target for starting in Jan 24.
												The complaint alert notification email distribution list must be kept up to date. Change requests to the distribution list must be submitted and processed in a timely manner. The process for updating the distribution list must be reviewed, updated, and implemented. (1 month)	Head of Customer First and Customer First Resolution Team Specialist Advisor (Complaints and Improvement) Specialist Advisor is working with service areas and ICT to update the lists. Going forward service areas will be required to keep us updated on changes.
												Information on the complaints management process detailed on The Hub and external website, must be reviewed and updated, and aligned with guidance. (1 month)	Audit comment Complaints process contact details on The Hub have been updated. Information on external website not yet updated.
												Staff must receive alerts when complaints they have been assigned are approaching their target resolution dates and when they have reached their target resolution dates. (6 months)	Head of Customer First Work not yet started will be started once policy is agreed. Target date for work to start March 2024.

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Complaints August 2023 Continued	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Mar 24	Customers must be signposted to where they can provide feedback on the way in which their complaint was handled. That feedback must be logged and reviewed, and lessons learnt disseminated and implemented across the councils. (6 months)	Head of Customer First Work not yet started will be started once policy is agreed. Target date for work to start March 2024.
												Root cause analysis of complaints, and systems and processes to disseminate and implement lessons learnt from root cause analysis, must be extended across the councils. (3 months)	Head of Customer First This is happening within Customer First as a proof of concept and will be rolled out wider as part of the training and comms plan. Seeking support from other service areas. Target for completion by March 2024.
												Reports must be designed to meet all complaint reporting needs. (6 months)	Head of Customer First Work not yet started will be started once policy is agreed. Target date for work to start March 2024.
												All service areas must be responsible for monitoring and recording their own complaints data in a standardised format for timely submission to Customer First to meet PI reporting requirements. (6 months)	Head of Customer First The complaints data is taken from D360 so directly linked to 2.4 and 2.7.

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ANNUAL AUDITS

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Theatres (21/22) Follow Up October 2023	Partial (June 22)	6	5	2	04.10.23	First	Substantial	2	3	0		Assessment of the building's security risks should be carried out. (3 months)	Ongoing Whilst security has been increased with additional CCTV and door entry security, there is more that can be carried out.
												Staff security must be comprehensively assessed, with consideration given to increased security presence, training and security measures such as a panic button and increased CCTV coverage. (3 months)	Ongoing Measures have been taken to improve security, but further action needs to be taken.
												Procedures must be written for all Box Office related duties and processes. (6-12 months)	Ongoing Whilst there are basic 'opening and closing' procedures for cash handling attached to the wall in the room where the safe is kept, and the Emergency Procedures document covers some aspects relating to Box Office duties, there are not detailed written procedures for Box Office staff to follow.

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Theatres (21/22) Follow Up October 2023 continued	Partial (June 22)	6	5	2	04.10.23	First	Substantial	2	3	0		Security measures and procedures for the cash office, including functions relating to the safe and banking of monies collected, must be written. (6-12 months)	Outstanding
												Solutions for creating a buffer, such as a glass screen in between the doors and the desk, either at ground level or at desk level should be explored. (6 months)	Ongoing
Housing Rents (22/23) July 2023	Substantial											Outstanding from 2021/22 There must be a review of the users and their permissions for the Housing CX system. To ensure that the users and their permissions are up to date and accurate. This requires IT, HR to work together to find a solution, with input from Finance and Customer First. (3 months)	Head of IT Agreed Head of HR Agreed Deputy Chief Finance Officer Agreed Head of Customer First Agreed

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Payroll (22/23) December 2023	Substantial											<p>2026/17 Outstanding Recommendation</p> <p>An authorised signatories list detailing officers' authorisation rights in respect of Payroll payments or changes to Payroll records, must be drawn up and maintained up to date and in accordance with the various Financial Procedure Rules.</p> <p>(6 months)</p>	<p>Audit Comment</p> <p>No further follow up of this recommendation will be undertaken however a full audit review of authorised signatories across the councils will be undertaken as part of the Audit Plan for 2024/25</p>
												<p>2020/21 Outstanding Recommendation</p> <p>All discretionary pay awards must detail an explanation for why the award is being made.</p> <p>(6 months)</p>	<p>2020/21 and 2021/22 Client Comment</p> <p>HR Business Partners will ensure that payroll are provided with a summary of the additional duties that are being undertaken, how the payment for these has been calculated and the period to which the payment relates, to the best of the information provided to us at the time.</p> <p>HR will also check any calculations provided by managers.</p> <p>2022/23 Head of HR</p> <p>HR will remind managers of the requirement for this.</p>