

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
<b>Business Continuity Planning</b>  November 20	Minimal	4	0	0	10.05.23	Sixth	Substantial	1	0	0	Sep 23	Business Continuity Plans for every department must be completed and adopted as soon as possible.  (6 months)	<b>July Update</b>  The plans for Service Delivery and Finance have now been finalised.  The plan for Neighbourhood First is now in draft.
<b>Arrears Collection</b>  January 2021	Partial	2	2	3	07.11.22	Fourth	Substantial	0	0	1	Oct 23	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.  (3 months)	The Interim Deputy Finance Officer has raised this with the Head of Customer First and the Lead for Income Maximisation and Welfare. The response from the Lead for Income Maximisation and Welfare was that a complete review of the Fair Debt Policy needs to be carried out but that this was unlikely to happen in the current financial year. However, if required sooner, then help from Finance would be needed.  The Interim Deputy Finance Officer has replaced the departing

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													Deputy Chief Finance Officer and needs to undertake a review of agreed audit actions with a view to providing a revised completion date for this action.
Members Allowances January 2021	Substantial	0	3	0	19.05.23	Fourth	Substantial	0	1	0	Sept 23	All expenditure must be evidenced by official VAT receipts. Where expenditure includes VAT, reimbursement must be claimed through the creditors system.  (1 month)	<b>Audit Manager comment May 2023:</b> Testing identified that claims for parking charges, which are subject to VAT, were submitted to, and paid by, Payroll rather than through the creditors system. <b>Outstanding</b>

REPORTS ISSUED 21/22

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Love Clean Streets Application December 21	Partial	3	1	0	22.09.22	Third	Partial	1	0	0	Ongoing	A new contract must be negotiated with BBITS for the use of the Love Clean Streets service, in accordance with the Contract Procedure Rules. The contract must be passed through Legal Services.  (3 months)	Will speak with IT to get pointed in the right direction to get this resolved.

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Film Liaison Unit January 22	Minimal	13	2	0	28.09.22	Second	Substantial	2	0	0	Oct 23	The permit cost schedule must be agreed by the council and any administration fees clearly defined within the contract.  (3 months)	Work has started on updating the permit cost schedule, but details are yet to be finalised
												End of year reconciliation, between permits granted, invoices received from SFO and paid over the year, must be carried out.  (1 month)	Permits have been reconciled but there is no evidence of a second officer signing off the reconciliation. A solution is being sought with Finance.

REPORTS ISSUED 22/23

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Construction Industry Scheme February 2022	Partial	0	6	0	01.02.23	First	Partial	0	6	0	Jul 23	Procedures for CIS payments must be written up and regularly updated as directives from HMRC change.  (6 months)	Procedures for CIS payments will be developed and regularly updated in line with the HMRC changes.
												<ul style="list-style-type: none"> <li>New starters working with CIS payments must have training and existing staff must</li> </ul>	No training has been carried out since the report, however the Systems and Transactional Manager confirmed that CIS training

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												be given refresher courses. • All Payment Team members should sign up for the free HMRC advice, webinars and update alerts. (6 months)	is on the agenda for 2022-23.
<b>Rent Sense September 2022</b>	Partial	2	6	0	30.06.23	Third	Substantial	0	1	0	Sept 23	An operational risk assessment should be carried out for reviewing the risks associated with using third party software to monitor and evaluate the councils' rent arrears. (6 months)	The operational risk assessment of Rent Sense is scheduled for April / May 2023