

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 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)	<p>Update July 23</p> <p>The Director of Tourism, Culture and Organisational Development had previously reported that it was intended to have the document for Theatres completed by the end of July. The one for Events was intended to be completed by the end of September. Is now stating that consideration is being given to transfer to a LACC so cannot write BCP until more information is known.</p> <p>Oct 23</p> <p>An update on areas of Tourism that will remain with the council has been requested from the Director of Tourism, Culture and Organisational Development.</p>
Arrears Collection	Partial	2	2	3	07.11.22	Fourth	Substantial	0	0	1	Jan 24	An overarching corporate arrears collection strategy must be drawn up and	<p>October 23 update</p> <p>The Interim Deputy Finance Officer has</p>

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January 2021												<p>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>explained that consideration is currently being given to centralising arrears collection services. Therefore, the outstanding recommendation will be followed up once a decision has been made.</p>
<p>Members Allowances</p> <p>January 2021</p>	Substantial	0	3	0	19.05.23	Fourth	Substantial	0	1	0	Dec 23	<p>All expenditure must be evidenced by official VAT receipts. Where expenditure includes VAT, reimbursement must be claimed through the creditors system.</p> <p>(1 month)</p>	<p>Audit Manager comment May 2023:</p> <p>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.</p> <p>Outstanding</p>

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REPORTS ISSUED 21/22

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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	Second	Substantial	0	2	0	Jan 24	Procedures for CIS payments must be written up and regularly updated as directives from HMRC change. (6 months)	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

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													in order to get these prepared.
												All relevant staff must be reminded / shown how to activate the CIS pop-up when setting up new suppliers on CAFi . (6 months)	All relevant staff must be reminded / shown how to activate the CIS pop-up when setting up new suppliers on CAFi .
Rent Sense September 2022	Partial	2	6	0	30.06.23	Third	Substantial	0	1	0	Oct23	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