

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 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)	<p style="text-align: center;"><b><u>Audit Comment</u></b></p> The BCP for Events has been completed. It was found that the relevant manager for other Tourism areas was not aware of the requirement for BCPs – possibly due to other officers leaving. He was asked to get guidance but received no response so he has been pointed to the Events Manager to help him produce the BCP.

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<b>Arrears Collection</b> January 2021	Partial	2	2	3	07.11.22	Fourth	Substantial	0	0	1	Jun 24	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)	<b>Audit Comment</b> 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

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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
<p><b>Construction Industry Scheme</b> February 2022</p>	Partial	0	6	0	30.01.24	Third	Substantial	0	2	0	Jul 24	<p>Procedures for CIS payments must be written up and regularly updated as directives from HMRC change. (6 months)</p>	<p><b>First follow up</b> Procedures for CIS payments will be developed and regularly updated in line with the HMRC changes.</p> <p><b>Second follow up</b> 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> <p><b>Third follow up</b> 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. Target completion date July 2024. Training will happen as part of the updating of the procedures.</p>

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<p><b>Construction Industry Scheme</b> February 2022 continued</p>	Partial	0	6	0	30.01.24	Third	Substantial	0	2	0	Jul 24	<p>When a new supplier is set up on the system, a visual reference (screenshot or HMRC document) must be saved to the supplier's file to establish the supplier's starting tax status.  (6 months)</p>	<p><b>First follow up</b> A further sample of 14 was tested and only one had saved HMRC screenshot. The new Creditor Team Leader agreed that a reminder will be sent to relevant staff.</p> <p><b>Second follow up</b> A further sample of 10 was tested and only 6 had verification screenshots on file. The Systems and Transactional Manager confirmed that the lack of procedures is probably impacting on the consistency of this process. A reminder has been sent to the team.</p> <p><b>Third follow up</b> Of the three new suppliers added to the system since the last follow-up, only one had verification on CAFI and this was incomplete.</p> <p><b>Audit Comment</b> It was reported that updated procedure notes will address inconsistencies such as these. There are currently two officers, one for each council, allocated to this process. It was agreed that a third officer will also be allocated as back up to add resilience</p>

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Casual Workers May 2023	Partial	1	12	0	01.02.24	First	Partial	0	7	0	May 24	<p>All staff must complete a Close Personal Declaration form at the beginning of their employment. The form must be kept on record and annual reminders sent to update the information if necessary.</p> <p>For Casual Workers the form must be included in the Casual Starter Pack.</p> <p>Managers must be reminded that a form must be completed if a casual workers position regarding close personal relationships changes at any time during the year.</p> <p>(6 months)</p>	<p>The new Starter Pack contains a Close Personal Relationship(CPR) form.</p> <p>The Casual Workers Guidance for Managers contains instructions on the annual reviewing /updating of CPR forms.</p> <p>Whilst the forms are being completed, they are not being routinely saved on D360.</p> <p><b>Audit comment:</b> The Director and HR are aware of this issue and confirmed that a solution to managing Starter Packs through D360 will be found, and the project to move the Starter Pack online will be discussed with IT- online Starter Packs have the potential to resolve all of the outstanding Starter Pack issues.</p>
												<p>Managers must be reminded that all casual workers must have a complete copy of the Casual Starter Pack sent to HR.</p> <p>HR must return incomplete Starter Pack to the manager responsible.</p> <p>Consideration must be given to an online version of the form which can be safely</p>	<p>Casual Worker Guidance gives instructions on completing Casual Worker Starter Packs for all Casual Workers.</p> <p>The instructions include the directive to send the Starter Packs to both HR and Payroll.</p> <p><b>Audit comment:</b> Testing showed that Starter Packs are, more often than not, being sent to Payroll alone. Payroll</p>

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												<p>completed and delivered without the need for casual workers to attend the office.</p> <p>Hard copies must be destroyed once they have been scanned and delivered to HR and digital copies must not be stored on local devices.</p> <p>(1 month)</p>	<p>extract the Payroll related information and add it to D360, but because the information is not being sent to HR, HR related information is not being saved.</p> <p>It was reported that discussions have been had regarding online Starter Packs, but no decisions were reported.</p> <p>Hard copies are still being retained.</p> <p>The Director and HR are aware of this issue and confirmed that a solution to managing Starter Packs through D360 will be found, and the project to move the Starter Pack online will be discussed with IT- online Starter Packs have the potential to resolve all of the outstanding Starter Pack issues.</p>
<p><b>Casual Workers</b></p> <p>May 2023 continued</p>	Partial	1	12	0	01.02.24	First	Partial	0	7	0	May 24	<p>Manager's confirmation, signature and date on copies of identity documents must be attached to all Casual Starter Packs and saved on D360.</p> <p>(1 month)</p>	<p>The Casual Workers Guidance for Managers lists the procedures for managing identity documents.</p> <p><b>Audit comment:</b> Testing showed that where identity documents were available on D360 they were nearly always annotated, however many of the samples taken did not have identity</p>

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													documents present on D360.  The Director and HR are aware of this issue and confirmed that a solution to managing Starter Packs through D360 will be found, and the project to move the Starter Pack online will be discussed with IT- online Starter Packs have the potential to resolve all of the outstanding Starter Pack issues.
<b>Casual Workers</b> May 2023 continued	Partial	1	12	0	01.02.24	First	Partial	0	7	0	May 24	Managers must be reminded that written role duties and expectations must be given to each casual worker and must either form part of the completed Casual Starter Pack or be saved alongside it on D360.  (1 month)	Starter Packs containing role duties, as well as more detailed duty descriptions for more senior roles, are regularly being sent to Payroll, but not transferred to D360 in their entirety.  <b>Audit comment:</b> The Director and HR are aware of this issue and confirmed that a solution to managing Starter Packs through D360 will be found, and the project to move the Starter Pack online will be discussed with IT- online Starter Packs have the potential to resolve all of the outstanding Starter Pack issues.

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<b>Casual Workers</b> May 2023 continued	Partial	1	12	0	01.02.24	First	Partial	0	7	0	May 24	Managers must be reminded that casual workers must have a related wages amendment form for rates that differ from their original payment code. (3 months)	<p><b>Audit comment:</b>                      Payroll reported that there has been an improvement in this area, but that there are still instances of it happening.</p> <p>Testing supported this position with a number of casual worker pay codes / rates out of date on D360 – some by a number of years.</p> <p>The Director and HR are aware of this issue. Managers will be reminded that staff must have up-to-date rates and payment code on file.</p>
												Managers must be reminded that casual workers must be given Health and Safety training relevant to the roles they are undertaking. (3 months)	<p>Meetings between the Health and Safety Manager and Devonshire Quarter managers are happening frequently, and specific Health and Safety (H&amp;S) related training sessions are being given.</p> <p>The Director confirmed they have been present at a number of H&amp;S inductions carried out by the Events team and that they are comprehensive as far as the specific duties being carried out for the event are concerned.</p> <p>However, H&amp;S training for Casual Workers is not always happening. It was reported that a barrier to providing basic H&amp;S training, especially to</p>

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													casual workers who are taken on at short notice and those working for short periods of time, is the lack of access to OLLE training as this requires a council email address.  <b>Audit comment:</b> The Director confirmed they will speak with Health and Safety Manager to help pinpoint H&S shortfalls and discuss potential ways to address them.
Casual Workers May 2023 continued	Partial	1	12	0	01.02.24	First	Partial	0	7	0	May 24	All casual workers that require a qualification and/or a background check to carry out their duties must have the relevant documents retained on their personnel file.  (1 month)	<b>Audit comment:</b>  A review of the DBS checks held by HR for relevant staff was carried out.  However, in testing, one sample was found to have no DBS check on file.  It was reported that issues regarding the speed at which DBS checks are happening and the relevant documents are being passed onto HR has been identified as a problem.  It was confirmed that discussions are already happening with managers and measures put in place to address the ongoing issues.

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Complaints August 2023	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Apl 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 polices.  (6 months)	<b>Head of Business Planning and Performance</b>  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)	<b>Head of Customer First</b>  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 quality assurance cover sheets.  (6 months)	<b>Head of Customer First</b>  Once policy has been agreed this will be developed. Target completion date March 2024.

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Complaints August 2023 continued	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Apl 24	The support available to those who may otherwise struggle to make a written complaint must be widely and consistently communicated.  (3 months)	<b>Head of Customer First</b>  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)	<b>Head of Customer First</b>  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)	<b>Head of Customer First</b>  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	Apl 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><b>Head of Customer First</b></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><b>Head of Customer First</b></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	Apl 24	A process must be implemented to ensure complaints are resolved and closed in a timely manner.  (3 months)	<b>Head of Customer First</b>  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)	<b>Head of Customer First and Customer First Resolution Team Specialist Advisor (Complaints and Improvement)</b>  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)	<b>Audit comment</b>  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)	<b>Head of Customer First</b>  Work not yet started will be started once policy is agreed. Target date for work to start March 2024.

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<b>Complaints</b> August 2023 Continued	Partial	9	7	0	06.12.23	First	Partial	9	7	0	Apl 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)	<b>Head of Customer First</b>  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)	<b>Head of Customer First</b>  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)	<b>Head of Customer First</b>  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)	<b>Head of Customer First</b>  The complaints data is taken from D360 so directly linked to 2.4 and 2.7.

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**ANNUAL AUDITS**

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	Update
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)	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)	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)	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.
												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)	<b>Outstanding</b>

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												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											<p><b>Outstanding from 2021/22</b></p> <p>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.</p> <p>This requires IT, HR to work together to find a solution, with input from Finance and Customer First.</p> <p>(3 months)</p>	<p>Head of IT Agreed</p> <p>Head of HR Agreed</p> <p>Deputy Chief Finance Officer Agreed</p> <p>Head of Customer First Agreed</p>
Payroll (22/23) December 2023	Substantial											<p><b>2026/17 Outstanding Recommendation</b></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><b>Audit Comment</b></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>

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												<p><b>2020/21 Outstanding Recommendation</b></p> <p>All discretionary pay awards must detail an explanation for why the award is being made.</p> <p>(6 months)</p>	<p><b>2020/21 and 2021/22 Client Comment</b></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><b>2022/23 Head of HR</b></p> <p>HR will remind managers of the requirement for this.</p>
Debtors (21/22) Follow Up	Partial	8	11	0	03.01.24	First	Partial	1	7	0		<p>The VAT codes used on cremation service-related invoices, EDGC membership invoices, and Printing web header design invoices must be reviewed by an Accountant / VAT Tax Specialist.</p> <p>(1 month)</p>	<p><b>Accountant (Corporate Finance)</b></p> <p>Initial review undertaken. Follow-up questions being asked to understand exactly what is being charged for. May need to refer some of them to PSTAX (Public Sector Tax Consultancy).</p>
												<p>The VAT codes linked to charge codes must be reviewed and steps taken to ensure the correct VAT codes are linked to all new charge codes.</p> <p>(6 months)</p>	<p><b>Systems and Transactional Manager and Accountant (Corporate Finance)</b></p> <p>A review of the current codes and monitoring of new codes have resource implications that need to be considered.</p> <p><b>Deputy Chief</b></p>

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													<p><b>Finance Officer</b> VAT codes used in past 12 months to be sampled to identify codes that may require a more detailed review. Target date 12 months</p>
Debtors (21/22) Follow Up continued	Partial	8	11	0	03.01.24	First	Partial	1	7	0		<p><b>Recommendation from 2020-21</b> The EBC annual schedule of fees and charges should be taken to Cabinet for approval.</p> <p><b>Recommendation amended for 2021-22:</b> An annual schedule of fees and charges must be taken to, and approved by, Cabinet. (3 months)</p>	<p><b>Deputy Chief Finance Officer</b> Agreed. To be addressed this year. Target date 3 months from date follow-up report issued.</p>
												<p><b>Recommendation outstanding from 2020-21</b> It must be ensured that adequate checking of any amendments made is carried out and any unusual transactions questioned.</p> <p><b>Recommendation amended for 2021-22</b> Running regular reports on new and amended charge codes must be implemented as the key compensating control for managing risk posed by many users having access to set-up and amend charge codes. (3 months)</p>	<p><b>Deputy Chief Finance Officer</b> Agreed. To be addressed this [fiscal] year. Target date 3 months from date follow-up report issued.</p>

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Debtors (21/22) Follow Up continued	Partial	8	11	0	03.01.24	First	Partial	1	7	0		<p><b>Recommendation amended for 2021-22</b> An aligned Fair Debt Policy must be produced and implemented. Revision must include guidance on invoice form.</p> <p><b>(6 months)</b></p>	<p><b>Deputy Chief Finance Officer</b> Agreed. Target date 6 months from date follow-up report issued.</p>
												<p><b>Recommendation outstanding from 2019-20</b> The debt recovery procedures should be rewritten.</p> <p><b>Recommendation outstanding from 2020-21</b> The Debt Recovery Procedures guide should be updated to include current job titles, of senior managers that are required to authorise writing off debt.</p> <p><b>Recommendations amended for 2021-22</b> An aligned procedure reflecting an overarching corporate arrears collection strategy that fully details the arrears and recovery processes in place for overdue amounts must be drafted and regularly reviewed. actions.</p> <p><b>(6 months)</b></p>	<p><b>Deputy Chief Finance Officer</b> Agreed. Target date 9 months from date follow-up report issued.</p>

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Debtors (21/22) Follow Up continued	Partial	8	11	0	03.01.24	First	Partial	1	7	0		<p><b>Recommendation outstanding from 2020-21</b> Written procedures for write offs must be updated.</p> <p><b>Recommendation amended for 2021-22</b> Aligned procedures must be written for writing off sundry debtor debts and made available to appropriate staff. (6 months)</p>	<p><b>Deputy Chief Finance Officer</b> Agreed. Target date 9 months from date follow-up report issued.</p>
												<p>Heads of Service and managers must be reminded that when requesting authorisation and counter authorisation to write off a debt, all debt recovery steps undertaken must be listed and fully documented, and the reason(s) for the write off request must be explicitly stated. (3 months)</p>	<p><b>Deputy Chief Finance Officer</b> Agreed. Target date 9 months from date follow-up report issued.</p>

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Main Accounting (21/22) Follow Up	Partial	2	12	1	08.03.24	First	Partial	2	7	1		<p><b>Outstanding Recommendation from 2019/20</b>                      Consideration must be given to whether the current format for the Authorised Signatory List is still relevant. If it is then it must be updated but, if not, then it must be replaced.</p> <p><b>Recommendation 2021/22</b>                      The processes used to update starters and leavers, as well as role changes in the Authorised Signatory List and in CAFI itself, should be reviewed to establish if there is a more effective approach.                      (6 months)</p>	<p><b>In Progress</b>                      Progress has been made reviewing the processes behind the Authorised Signatory List, and defining a new, streamlined system with limits being defined by the post and paygrade – rather than the current system which is linked to individual officers.                      There is no timeframe for completion.</p> <p><b>Audit comment:</b>                      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>Finance and IT must work together to get historical bank reconciliation variances cleared as a matter of urgency.                      (6 months)</p>	<p>Historic variances remain on the system.</p> <p><b>DCFO Comment:</b>                      A fresh approach to this issue is needed to understand its history, establish what attempts have already been made to rectify it, and to obtain a written reason from Civica regarding the current position and what, if anything, can be done to rectify it.</p>

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Main Accounting (21/22) Follow Up continued	Partial	2	12	1	08.03.24	First	Partial	2	7	1		As well as showing when the financial procedure rules were written, the documents should include an indication of when they will be reviewed.  (6 months)	There has been no update of the Financial Procedure Rules since the report was issued in January 2023 and no date for review has been added.  <b>DCFO Comment</b> In consultation with the Audit and Governance Committees, a formal schedule of reviewing and updating the Financial Procedure Rules needs to be agreed.
												<b>Outstanding Recommendation from 2019/20</b> Financial policies and procedures must be reviewed and updated to include the restructure of Finance, the changes in IT systems and all officer roles.  All documents must have a record of the date reviewed, the next review date and the officer responsible.  Policies and procedures must be filed in a central location and time set aside in the annual finance timetable to ensure they are up to date.  Where appropriate procedures should be made available on The Hub  <b>Recommendation 2022</b>	<b>DCFO Comment</b> The Chief Finance Officer has identified and discussed with Managers the need to improve policies and procedures across the area, with an emphasis on consistent reporting.

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

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	Update
												<p>A list of up-to-date finance procedures should be collated, including procedure name and date, to allow for ease of monitoring and to ensure that procedures are written for any areas that are lacking procedures.</p> <p>Following the recommendation above, ensure that written procedures are in place for all areas, including for commercial entities and enterprises.</p> <p>(6 months)</p>	
<p><b>Main Accounting (21/22)</b></p> <p><b>Follow Up continued</b></p>	Partial	2	12	1	08.03.24	First	Partial	2	7	1		<p><b>Outstanding Recommendation from 2019/20</b></p> <p>CAFI user groups must be reviewed to ensure that full access is limited to authorised roles only. Access should be removed for those officers who no longer work for the organisation.</p> <p>(6 months)</p>	<p><b>Audit Comment</b></p> <p>It was reported that there is an ongoing project to address issues with CAFI user groups. Officers no longer in the councils' employment need an active directory to log in; this is removed when they leave.</p> <p><b>DCFO Comment</b></p> <p>A way to link CAFI access to leaver form management will be looked in to.</p>

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Main Accounting (21/22) Follow Up continued	Partial	2	12	1	08.03.24	First	Partial	2	7	1		<p><b>Outstanding Recommendation from 2019/20</b></p> <p>The role of budget managers on CAFI must be reviewed and updated to reflect the current structure.</p> <p>(3 months)</p>	<p><b>Audit comment</b></p> <p>It was reported that work to reorganise the reporting structure within CAFI is currently being undertaken but only when time allows.</p> <p>Ways of maintaining accuracy are being considered.</p> <p><b>DCFO Comment</b></p> <p>A way to link CAFI access to lever form management will be looked in to.</p>
												<p>Every recharge made/invoice raised must be carried out by two officers, one raising the charge and the other authorising.</p> <p>(3 months)</p>	<p>Recharges tested were checked for accuracy, supported by evidence and, where they are not related to Service Level Agreements (SLA), were correctly authorised. Authorisation records for SLA recharges were not retained.</p> <p>The Auditor observed a new filing system which has been put in place to address this issue for 2023/24.</p>

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Main Accounting (21/22) Follow Up continued	Partial	2	12	1	08.03.24	First	Partial	2	7	1		<p>A decision must be taken, procedures written, and action verified around whether reconciliations should clearly identify who carries them out and how often, and by whom, they should be checked.</p> <p>(6 months)</p> <p><b>Recommendation 2020/21</b> An annual reconciliation of the rents system to the asset register must be actioned for all HRA properties.</p> <p><b>Recommendation</b> Finance and Customer First need to work together to produce an annual reconciliation of the rents system and the asset register to include all HRA properties.</p> <p>(6 months)</p>	<p>Testing revealed that reconciliations are signed and dated by the officer undertaking the reconciliation, but not signed and dated by a second officer.</p> <p><b>DCFO Comment</b> The Chief Finance Officer has identified and discussed with Managers the need to improve policies and procedures across the area, with an emphasis on consistent reporting.</p>
												<p>A project to use Tech Forge (property management software) to reconcile the asset register with the financial system is underway – it is hoped it will be in place for 2023-24 year end</p>	

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Main Accounting (21/22) Follow Up continued	Partial	2	12	1	08.03.24	First	Partial	2	7	1		All working papers should have the name of the officer reviewing as well as the officer completing them.  (6 months)	Some working papers are still in draft and have yet to be signed off.
Treasury Management (21/22) Follow Up	Substantial	0	6	2	23.02.24	First	Substantial	0	1	1		<b>Recommendation outstanding from 2020/21</b> Formal training must be organised to ensure that adequate contingency arrangements are in place to cover for unplanned staff absence (6 months)	The Head of Financial Reporting stated that there are no resources for additional staff who could be trained for Treasury Management. A request has been put forward for redeployed resourcing from within the team which should create more resilience.
												<b>Recommendation outstanding from 2020/21</b> Work on updating and aligning internal Treasury Management Procedures must be completed. (6 months)	The auditor observed significant updates on the procedure documents, however the main Treasury Management Practices is yet to be finalised. It was confirmed that the documents are still a work in progress.

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Cash and Banking (21/22) Follow Up	Minimal	9	3	0	06.03.24	First	Partial	3	1	0		<p>A list of all of the cash offices within the organisations must be maintained within Finance; the list should also detail safes or cash storage facilities and key holders.</p> <p>(3 months)</p>	<p><b>Audit Comment</b> A list of council offices that deposit cash has been started, though the list has yet to have details added.</p>
												<p><b>Recommendation outstanding from 2019/20</b> All services handling income must have documented procedures for handling income and banking.</p> <p><b>Updated recommendation 2021/22</b> Overarching Cash and Banking procedures must be provided for implementation to all Heads of Service where cash offices operate</p> <p>(3 months)</p>	<p>It was reported that the following will be completed:</p> <ul style="list-style-type: none"> <li>• review / create Cash Handling Procedures to make sure they are in line with Finance Procedure Rules.</li> <li>• ensure that procedures minimise the risk to both council funds and council employees.</li> </ul> <p>Timeframe 9 months</p>
												<p>Staff security must be comprehensively assessed and the need to accept cash reviewed. Where it is absolutely necessary to accept cash, a risk assessment must be carried out and consideration must be given to a security presence, training and security measures such as a panic button and CCTV coverage.</p> <p>(3 months)</p>	<p>Standard Operating Procedures for the Cash Office have been updated and include instructions in the event of a raid; the document has been shared with relevant staff, however staff have not received training on what to do should a raid occur.</p>

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Cash and Banking (21/22) Follow Up Continued	Minimal	9	3	0	06.03.24	First	Partial	3	1	0		<p>The cash limits and insurance cover for all cash offices and safes must be reviewed to ensure there is adequate cover. Cash limits for individual safes must be shared with appropriate members of staff.</p> <p>(6 months)</p>	<p>The Insurance Officer reported that a central, definitive list of all council cash offices is required before appropriate and adequate insurance cover can be put in place.</p> <p><b>Audit Comment</b> A list of council offices that deposit cash has been started, though the list has yet to have details added.</p> <p>Timeframe 9 months</p>