

**BROMSGROVE DISTRICT COUNCIL**

**AUDIT, STANDARDS AND GOVERNANCE COMMITTEE**

Date: 24<sup>th</sup> MARCH 2016

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**THE INTERNAL AUDIT MONITORING REPORT OF THE SERVICE MANAGER OF THE WORCESTERSHIRE INTERNAL AUDIT SHARED SERVICE.**

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	Yes
Relevant Head of Service	Sam Morgan, Financial Services Manager
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non-Key Decision

**1. SUMMARY OF PROPOSALS**

1.1 To present:

- the monitoring report of internal audit work and performance for 2015/16.

**2. RECOMMENDATIONS**

2.1 **The Committee is asked to RESOLVE that the report be noted.**

**3. KEY ISSUES**

**Financial Implications**

3.1 There are no direct financial implications arising out of this report.

**Legal Implications**

3.2 The Council is required under the Accounts and Audit Regulations 2015 to “undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control”.

**Service / Operational Implications**

3.3 The involvement of Members in progress monitoring is considered to be an important facet of good corporate governance, contributing to the internal control assurance given in the Council’s Annual Governance Statement.

3.4 This section of the report provides commentary on Internal Audit’s performance for the period 01<sup>st</sup> April 2015 to 29<sup>th</sup> February 2016 against the performance indicators agreed for the service.

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AUDIT REPORTS ISSUED/COMPLETED SINCE THE LAST PROGRESS REPORT (10<sup>th</sup> December 2015):

2015/16 AUDITS COMPLETED AS AT 29<sup>th</sup> FEBRUARY 2016

### **Safeguarding**

The review found there was generally a sound system of internal control in place but testing identified isolated weaknesses in the application of controls in a small number of areas.

The review found the following areas of the system were working well:

- Overall management and embedding of legislation for the protection of vulnerable children and adults, including suitable policies and procedures that are readily available to staff;
- The nomination of suitable individuals for managing safeguarding cases within both authorities;
- Appropriate and proactive training sessions provided for essential staff who engage with vulnerable people;
- Engaging with other local organisations to ensure a robust safeguarding process across both districts and county.

The review found the following areas of the system where controls could be strengthened:

- The monitoring of full completion of training courses by all necessary staff, and, the challenging of responsible managers to ensure full completion by necessary staff.
- The implementation of a policy which identifies good practice for the routine and periodic vetting of staff that engage with vulnerable people.

Audit Type: Full System Audit

Final Report Issued: 4<sup>th</sup> February 2016

Assurance: Significant

### **Allotments**

The review found there was generally a sound system of internal control in place with the following areas working well;

- Good contingency arrangements were in place to cover the absence of the Parks and Green Space Development & Allotments Assistant
- Allotments are well publicised on the web site

Testing identified isolated weaknesses in the design of controls and / or inconsistent application of controls in a small number of areas where controls could be strengthened including:

- Some records were not accurately maintained ;
  - One allotment holder was invoiced for two plots when the COLONY system indicated that this should be three although further

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investigation confirmed that the third plot is for access purposes only and needs to be decommissioned.

- One allotment holder has not been invoiced for financial year 2015/16 due to the fact that a concession applied in 2014/15 had not been removed
- Tenancy agreements could not always be found

It is accepted that records need to be updated and as part of this process the Service has been advised that it would be good practice to reconcile the number of plots taking account of those; occupied, decommissioned and vacant.

Audit Type: Full System Audit

Final Report Issued: 4<sup>th</sup> February 2016

Assurance: Significant

#### **Corporate Governance ~ Annual Governance Statement**

The review found some of the expected controls were not in place and not operating effectively therefore assurance can only be given over the effectiveness of controls within some areas of the system.

The review found the following areas of the system were working well:

- The CIPFA guidance has been observed when producing the Annual Governance Statement;
- The Authority has published annually the Annual Governance Statement as part of the Final Accounts and complies with the statutory requirements; and
- The Annual Governance Statement document has explicitly highlighted how it demonstrates its commitment to achieve good governance against each core principle;

Testing identified the following areas of the process where controls could be strengthened:

- The Section 151 Officer is predominantly responsible for the production of the Annual Governance Statement, however, this does not promote awareness of the shared responsibility of the governance framework.
- Some terminology used in the Annual Governance Statement is out of date.
- There is the potential for a lack of Member engagement; and
- Governance issues identified are not being included in an action plan and the progress against each issue is not being monitored.

Audit Type: Limited Scope Audit

Final Report Issued: 22<sup>nd</sup> February 2016

Assurance: Moderate

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**Treasury Management**

The review found some of the expected controls were not in place and not operating effectively, therefore, assurance can only be given over the effectiveness of controls within some areas of the system.

The review found the following areas of the system were working well:

- Investments are being completed in line with the agreed Treasury Management Strategy.
- Interest is being received on a timely basis.
- All monies not immediately required are invested prudently
- All investments are being electronically authorised correctly.

The review found the following areas of the system where controls could be strengthened:

- The reconciliation process would benefit from independent review.
- The contract for the Treasury Management advisors needs to be reviewed to ensure it is inline with Bromsgrove District Council and EU procurement rules.
- The audit trail for all transactions was not always complete.

Audit Type: Full System Audit

Final Report Issued: 4<sup>th</sup> December 2015

Assurance: Moderate

Summary of Assurance Levels:

<b>Audit</b>	<b>Assurance Level</b>
<b>2015/2016</b>	
Safeguarding	Significant
Allotments	Significant
Corporate Governance ~ Annual Governance Statement	Moderate
Treasury Management	Moderate

**2015/16 AUDITS ONGOING AS AT 29<sup>th</sup> February 2016.**

Audits that were continuing as at the 29<sup>th</sup> February 2016 but at draft report stage included:

- s106's
- Leisure Consumables, Equipment and Goods for Resale
- Community Services; CCTV
- Website Security
- Consultancy and Agency

Reviews that were on going but well advanced as at the 29<sup>th</sup> February 2016 included:

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- Mapping of Interfaces to the Ledger
- Council Tax
- NNDR
- Benefits
- System Administration
- Performance Management Framework

Reviews that were on going at the 29th February 2016 included:

- Environmental
- Cash, Ledger and Bank Reconciliation
- Creditors
- Debtors
- Worcestershire Regulatory Services

The outcome of the above reviews will be reported to Committee in due course when they have been completed and management have confirmed an action plan.

### **3.4 AUDIT DAYS**

Appendix 1 shows that progress continues to be made towards delivering the Internal Audit Plan and achieving the targets set for the year. As at 29<sup>th</sup> February 2016 a total of 201 days had been delivered against a target of 250 days for 2015/16.

Appendix 2 shows the performance indicators for the service. These indicators were agreed by the Audit Board (now the Audit, Standards and Governance Committee) on the 19th March 2015 for 2015/16 and include two additional indicators.

Appendix 3 shows a summary of the 'high' and 'medium' priority recommendations for those audits that have been completed and final reports issued.

Appendix 4 provides the Committee with an analysis of audit report 'Follow Ups' that have been undertaken to monitor audit recommendation implementation progress by management.

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### **3.5 OTHER KEY AUDIT WORK**

Much internal audit work is carried out “behind the scenes” but is not always the subject of a formal report. Productive audit time is accurately recorded against the service or function as appropriate. Examples include:

- Governance for example assisting with the Annual Government Statement
- Risk management
- Transformation review providing support as a critical review
- Dissemination of information regarding potential fraud cases likely to affect the Council
- Drawing managers’ attention to specific audit or risk issues
- Audit advice and commentary
- Internal audit recommendations: follow up review to analyse progress
- Day to day audit support and advice for example control implications, etc.
- Networking with audit colleagues in other Councils on professional points of practice
- National Fraud Initiative.
- Investigations

There has been on going work undertaken in regard to the National Fraud Initiative. This year is the 2 yearly cycle of data extract and uploading to the Audit Commission to enable matches to be reported. The 2014/15 data extract has been completed and uploaded the results of which have been received and are now being investigated. Worcestershire Internal Audit Shared Service (WIASS) has a coordinating role in regard to the investigative exercise. The single person discount and electoral registration upload was coordinated and the upload was completed in December 2015.

WIASS is committed to providing an audit function which conforms to the Public Sector Internal Audit Standards.

WIASS recognise there are other review functions providing other sources of assurance (both internally and externally) over aspects of the Council’s operations. Where possible we will seek to place reliance on such work thus reducing the internal audit coverage as required.

WIASS confirms it acts independently in its role and provision of internal audit.

### **Monitoring**

- 3.6 To ensure the delivery of the 2015/16 plan there is close and continual monitoring of the plan delivery, forecasted requirements of resource – v – actual delivery, and where necessary, additional resource will be secured to assist with the overall Service demands. The Service Manager remains confident his team will be able to provide the required coverage for the year over the authority’s core financial systems, as well as over other systems which have been deemed to be ‘high’ and ‘medium’ risk.

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**Customer / Equalities and Diversity Implications**

3.7 There are no implications arising out of this report.

**4. RISK MANAGEMENT**

The main risks associated with the details included in this report are:

- failure to complete the planned programme of audit work for the financial year; and,
- the continuous provision of an internal audit service is not maintained.

These risks are being managed via the 4Risk risk management system within the Finance and Resources risk area.

**5. APPENDICES**

Appendix	1 ~ Internal Audit Plan delivery 2015/16
Appendix	2 ~ Key performance indicators 2015/16
Appendix	3 ~ 'High' and 'Medium' priority recommendations summary for finalised reports
Appendix	4 ~ Follow up summary

**6. BACKGROUND PAPERS**

Individual internal audit reports held by Internal Audit.

**7. KEY**

N/a

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**APPENDIX 1**

**Delivery against Internal Audit Plan for 2015/16**  
**1<sup>st</sup> April 2015 to 29<sup>th</sup> February 2016**

Audit Area	DAYS USED TO 29/02/2016	FORECAST ED DAYS TO END OF Q4 ~ 31 <sup>st</sup> March 2016	2015/16 PLANNED DAYS
Core Financial Systems (see note 1)	62	71	71
Corporate Audits (see note 4)	0	5	5
Other Systems Audits (see note 2)	111	138	138
<b>TOTAL</b>	<b>173</b>	<b>214</b>	<b>214</b>
Audit Management Meetings	15	15	15
Corporate Meetings / Reading	4	5	5
Annual Plans and Reports	5	8	8
Audit Committee support	4	8	8
Other chargeable (see note 3)	0	0	0
<b>TOTAL</b>	<b>28</b>	<b>36</b>	<b>36</b>
<b>TOTAL</b>	<b>201</b>	<b>250</b>	<b>250</b>

**Notes:**

Note 1: Core Financial Systems are audited predominantly in quarter 3 in order to maximise the assurance provided for Annual Governance Statement and Statement of Accounts.

Note 2: Full number of budgeted days may not be used due to small 'call off' budgets, e.g. consultancy, investigations, not being fully utilised due to fluctuation in demand.

Note 3: 'Other chargeable' days equate to times where there has been, for example, significant disruption to the ICT provision resulting in lost productivity.

Note 4: 'Corporate audits' included a limited scope audit for Risk Management. At the behest of the s151 Office this audit area has been deferred to the 2016/17 audit provision.



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**APPENDIX 2**

**KEY PERFORMANCE INDICATORS 2015/16**

**Key Performance Indicators (KPIs) for 01<sup>st</sup> April 2015 to 29<sup>th</sup> February 2016.**

The success or otherwise of the Internal Audit Shared Service will be measured against some of the following key performance indicators for 2015/16 i.e. KPI 3 to 6. Other key performance indicators link to overall governance requirements of Bromsgrove District Council.

	<b>KPI</b>	<b>Trend requirement</b>	<b>2012/13 Year End Position</b>	<b>2013/14 Year End Position</b>	<b>2014/15 Year End position</b>	<b>2015/16 position as at 29<sup>th</sup> February 2016</b>	<b>Frequency of Reporting</b>
1	No. of 'high' priority recommendations	Downward	8	12	7	2	Quarterly
2	No. of moderate or below assurances	Downward	3	8	7	3	Quarterly
3	No. of customers who assess the service as 'excellent'	Upward	2	4 (5 issued: 4x Excellent & 1x Good)	4 (12 issued: 5 returns 4x excellent, 1x good)	0 (6 Issued: 2 returns 2x'good')	Quarterly
4	No. of audits achieved during the year	Per target	Target = 21 Delivered = 21	Target = 15 (minimum) Delivered = 19	Target = 17 (minimum) Delivered = 20	Target = 15 (minimum) Delivered = 6  (with 5x draft reports)	Quarterly
5	Percentage of plan delivered	100% of the agreed annual plan	N/A	N/A	N/A	80%	Quarterly
6	Service Productivity	Positive direction year on year (Annual target 74%)	N/A	N/A	N/A	73%	Quarterly

WIASS operates within and conforms to the Public Sector Internal Audit Standards 2013.

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**APPENDIX 3**

**Definition of Audit Opinion Levels of Assurance**

<b>Opinion</b>	<b>Definition</b>
<b>Full Assurance</b>	<p>The system of internal control meets the organisation's objectives; all of the expected system controls tested are in place and are operating effectively.</p> <p>No specific follow up review will be undertaken; follow up will be undertaken as part of the next planned review of the system.</p>
<b>Significant Assurance</b>	<p>There is a generally sound system of internal control in place designed to meet the organisation's objectives. However isolated weaknesses in the design of controls or inconsistent application of controls in a small number of areas put the achievement of a limited number of system objectives at risk.</p> <p>Follow up of medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>
<b>Moderate Assurance</b>	<p>The system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet its objectives. Assurance can only be given over the effectiveness of controls within some areas of the system.</p> <p>Follow up of high and medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>
<b>Limited Assurance</b>	<p>Weaknesses in the design and / or inconsistent application of controls put the achievement of the organisation's objectives at risk in many of the areas reviewed. Assurance is limited to the few areas of the system where controls are in place and are operating effectively.</p> <p>Follow up of high and medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>
<b>No Assurance</b>	<p>No assurance can be given on the system of internal control as significant weaknesses in the design and / or operation of key controls could result or have resulted in failure to achieve the organisation's objectives in the area reviewed.</p> <p>Follow up of high and medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.</p>

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### Definition of Priority of Recommendations

<b>Priority</b>	<b>Definition</b>
<b>High</b>	<p>Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives.</p> <p>Immediate implementation of the agreed recommendation is essential in order to provide satisfactory control of the serious risk(s) the system is exposed to.</p>
<b>Medium</b>	<p>Control weakness that has or is likely to have a medium impact upon the achievement of key system, function or process objectives.</p> <p>Implementation of the agreed recommendation within 3 to 6 months is important in order to provide satisfactory control of the risk(s) the system is exposed to.</p>
<b>Low</b>	<p>Control weakness that has a low impact upon the achievement of key system, function or process objectives.</p> <p>Implementation of the agreed recommendation is desirable as it will improve overall control within the system.</p>

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APPENDIX 3

## 'High' & 'Medium' Priority Recommendations Summary for finalised audits.

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
<b>Audit: Safeguarding</b>					
<b>Assurance: Significant</b>					
1	Medium	<p><b><u>Training Course Monitoring</u></b>                      The Human Resources team are monitoring the completion of a training exercise concerning a presentation on safeguarding for Bromsgrove District Council originally issued in November 2014. Returns were required from Service Managers identifying when the training presentation was viewed.</p> <p>Being a joint venture at the time of the audit, of the 792 staff members required to view the presentation, confirmation for 574 staff had not yet been received.</p> <p>In addition, with regards to an e-learning course originally issued in November 2014, completion is required for 236 identified staff members. At the time of the audit work, 90 had not completed this training.</p>	<p>Lack of current training and knowledge by staff which could result in incorrect procedure being followed, resulting in vulnerable people not being given the correct and necessary help, leading to reputational damage for the authority.</p>	<p>Human Resources and Community Services staff to issue reminders to Services Managers regarding completion of the e-learning training exercise, and also to confirm the review by staff of the safeguarding presentation.</p> <p>Failure to achieve full compliance of these training programmes to be raised with relevant Head of Service.</p>	<p><b>Management Response:</b>                      Agreed. Reminders will be issued to Service Managers.</p> <p><b>Responsible Manager:</b>                      Human Resources Manager</p> <p><b>Implementation date:</b>                      April 2016</p>
2	Medium	<p><b><u>Staff Vetting</u></b>                      Staff vetting is only conducted on new starters, once the need for</p>	<p>Current staff may</p>	<p>The vetting process to be reviewed, to</p>	<p><b>Management Response:</b></p>

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Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
		such vetting has been assessed and determined in accordance with DBS requirements. There is no process or corporate policy for periodic DBS reviews to ensure on-going staff suitability with further periodic checks.	have undisclosed convictions which may put vulnerable individuals at risk, leading to potential reputational damage.	require that all staff which regularly engage with vulnerable people are asked in periodic status meetings if there have been any changes in DBS status.	Agreed. Vetting process to be reviewed.  <b>Responsible Manager:</b> Human Resources Manager  <b>Implementation date:</b> January 2016
<b>Audit: Allotments</b>					
<b>Assurance: Significant</b>					
1	Medium	<p><u><b>Maintenance of Records</b></u> The COLONY system shows:</p> <ul style="list-style-type: none"><li>• Plots (5, 6 &amp; 7) on the Stonebridge site allocated to one individual, but an invoice has been raised for two plots. Further enquiries confirm that plot 7 provides access only to other plots and should be decommissioned</li> <li>• Plot 24 on the Stoke Road site had a concession applied for 2014/15 but an invoice should be raised during 2015/16. No invoice was raised</li></ul> <p>In four cases of the sample tested (20%) no tenancy agreements could be found.</p>	Incomplete/inaccurate records leading in incorrect invoicing, loss of income and potential reputational damage	<p>Records must be accurately and consistently maintained to ensure correct invoicing, maximum occupation rates and income, effective management control and provide an audit trail.</p> <p>Every effort should be made to ensure tenancy agreements are signed, returned and filed.</p> <p>It may also be appropriate to display tenancy terms and conditions on the web site.</p>	<p><b>Management Response</b> Records will be corrected and every effort will be made to maintain accuracy in the future.</p> <p>Although tenancy terms &amp; conditions are displayed on the web site they could be more prominently displayed.</p> <p><b>Responsible Manager:</b> Cultural Services Manager</p> <p><b>Implementation date:</b> 31 March 2016</p>

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Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
<b>Audit: Corporate Governance ~ Annual Governance Statement</b>					
<b>Assurance: Moderate</b>					
1	High	<p><b><u>Governance issues are not included in an action plan.</u></b>                      Although governance issues are being identified within the Annual Governance Statement these issues are not being compiled into an action plan that is regularly monitored.                      External audit noted issues highlighted in 2014 had not been completed the following year.</p>	Reputational risk and possible qualification report from External Audit.	<p>The Governance issues identified within the Annual Governance Statement to be entered into an action plan that clearly identifies deadline dates and allocated responsibility.</p> <p>Outcomes to be shown against each action to measure success in the future</p> <p>The action plan to be presented to the Audit Committees at least half year to monitor progress.</p>	<p><b>Responsible Manager:</b>                      Financial Services Manager</p> <p><b>Implementation date:</b>                      April 2016</p>
2	Medium	<p><b><u>Responsibility for compilation of the Annual Governance Statement</u></b>                      The Annual Governance Statement is currently written predominantly by the Section 151 Officer.</p>	Lack of ownership and awareness of Governance responsibilities	<p>To improve the co-ordination of the document and the all around governance programme greater input from the various Heads of Service would make the document more rounded and a shared effort.</p> <p>The process of completing the Annual Governance Statement could start with the Heads of Services reporting their governance arrangements initially under each core principal rather than the Section 151 officer requesting updates.</p>	<p><b>Responsible Manager:</b>                      Financial Services Manager / Technical Accountant</p> <p><b>Implementation date:</b>                      April 2016</p>
3	Medium	<p><b><u>Formally review of the Annual Governance Statement</u></b>                      A review of the 2014/15 Annual Governance Statements Identified a number of anomalies including out of date information and inconsistent terminology.</p>	Reputational damage if the Annual Governance Statement provides users with inaccurate information.	The ownership of the Annual Governance Statement is a shared responsibility. Feedback to the Section 151 Officer could be accompanied by a signed statement by each Head of Service to confirm they have reviewed the document and agree to the statements prior to them being included in the final Annual Governance Statement.	<p><b>Responsible Manager:</b>                      Executive Director – Finance and Resources and S151 Officer</p> <p><b>Implementation date:</b>                      June 2016</p>

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Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
4	Medium	<p><b><u>Circulation of the Annual Governance Statement</u></b>                      Members are provided with the opportunity of reviewing the Annual Governance Statement only once prior to the Final Accounts being approved.</p>	Potential for lack of member engagement.	Increase the number of times the Annual Governance Statement is reported to members to facilitate greater engagement. Increased circulation could also serve a useful purpose as a monitoring tool noting progress with the outstanding recommendations.	<p><b>Responsible Manager:</b>                      Financial Services Manager</p> <p><b>Implementation date:</b>                      March 2016</p>
<b>Audit: Treasury Management</b>					
<b>Assurance: Moderate</b>					
1	High	<p><b><u>Third Party Advisors</u></b>                      The contract has been rolled over from 2007 with fees increasing annually.</p>	<p>The council may not be getting value for money from the contract if the contract has not gone out to competitive tender since 2007 and not been subject to market place forces.</p> <p>The council may be at reputational risk and potential risk of financial loss if found to be in breach of procurement best practice and over the EU threshold.</p>	Finance to work with procurement to ensure that future procurement of this service is inline with EU regulations.	<p><b>Responsible Manager:</b>                      Financial Services Manager</p> <p><b>Implementation date:</b> On going</p> <p>We are currently working with Procurement, obtaining prices through the SBO contract.</p>
2	Medium	<p><b><u>Formal Regular Reconciliation</u></b>                      When reconciliations do occur, which tend to be on a monthly basis, they are undertaken by the Treasury Management Officer (TMO) but are not independently</p>	Financial loss and reputational damage to the Council if regular reconciliations are not being	<p>Monthly reconciliations to continue to take place.</p> <p>On a quarterly basis an independent reviewer to review the reconciliations; this to</p>	<p><b>Responsible Manager:</b>                      Financial Services Manager</p> <p><b>Implementation date:</b> On going</p>

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Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
		reviewed.	performed and signed off appropriately.	be evidenced in a password protected cell on the reconciliation spread-sheet with the name of the reviewer and date of the review.	Agreed. The TMO is best equipped to carry out reconciliation. Reconciliations are to be reviewed quarterly by the Technical Accountant, signed and dated. Any issues for concern will be pursued.
<b>end</b>					



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### **APPENDIX 4**

#### **Follow Up**

##### **Planned Follow Ups:**

In order to continue to monitor progress of implementation, 'follow up' in respect of audit reports is logged. The table provides an indication of the action taken against those audits and whether further follow up is planned. Commentary is provided on those audits that have already been followed up and audits in the process of being followed up to the end of February 2016. Exceptions will be reported to the Committee.

For some audits undertaken each year follow-ups may not be necessary as these may be undertaken as part of the full audit. Other audits may not be time critical therefore will be prioritised as part of the overall work load so to minimise resource impact on the service area.

Follow up in connection with the core financials is undertaken as part of the routine audits that are performed during quarters 3 and 4.

##### **Follow Up Assurance:**

In summary:

- 2013/14 audit recommendations have been predominantly implemented with final checks against the one remaining review;
- the majority 2014/15 recommendations have been implemented with those remaining monitored and current progress reported for information;
- 2015/16 recommendations will be followed up commencing March 2016.

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<u>Audit</u>	<u>Date Final Audit Report Issued</u>	<u>Service Area</u>	<u>Assurance</u>	<u>Number of High, Medium and Low priority Recommendations</u>	<u>Date to be 1st Followed up or outcome</u>	<u>2nd</u>
					High and Medium Priorities 6mths after final report issued as long as implementation date has passed	High and Medium Priorities still outstanding 3mths after previous follow up as long as implementation date has passed
<b>2013-14 Audits</b>						
ICT	2 <sup>nd</sup> September 2014	Head of Business Transformation and Organisational Development and ICT Transformation Manager	Limited	1 'high' and 5 'medium' priority recommendations to follow-up in regard to starters, leavers and user accounts, procedures, inventory management, contracts and disposals.	Followed up in March 2015. 3 recommendations have been implemented (authorisation of new users, clearing of inactive accounts, disposal of equipment), 1 recommendation has been superseded by changes to processes (disposal contracts). 2 medium recommendations are part implemented/ on-going (procedure documents, inventory reviews).	The follow up in October 2015 found that the 2 remaining 'medium' priority recommendations in relation to procedure documents and inventory reviews were in progress. The risk to the Council has been reduced and both recommendations should be implemented by January 2016 therefore a further follow up will take place in February 2016 as part of the 2015/16 review. Review remains ongoing.
<b>2014-15 Audits</b>						
Equality and Diversity	28 <sup>th</sup> August 2014	Corporate Senior Management Team	Moderate	1 'high' and 2 'medium' priority recommendations made in relation to training, policy and terms of reference.	Followed up March 15- Policy Manager have confirmed that all recommendations are currently outstanding and not fully implemented but are in progress.	Currently in progress

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					Given the impending completion date it would not be appropriate to follow the recommendations up until July 2015.	
Data, Security and Publication	9th September 2014	Head of Transformation and Organisation Development/Executive Director (Finance and Resources)	Moderate	1 "medium" priority recommendation re local government transparency code	Currently in progress	
DFGs and HIAs	12th November 2014	Housing Strategy Manager	Significant	1 "medium" priority recommendations re the need to ensure documents are stored correctly	Followed up in September 2015. Implementation of the 1 medium recommendation is still in progress, whereby an electronic HIA filing system has been integrated, and paper files are being transferred to a single location for managing more effectively, completion expected end of October 2015 as part of the move to the new Parkside office. Further follow up being organised.	
Budget Setting	30th June 2015	Executive Director (Finance and Resources)	Critical Review	Action Plans were agreed and a progress feedback will be sought in line with agreed implementation dates.	Being picked up as part of the 2015/16 review currently taking place.	
ICT	16th July 2015	Head of Transformation and Organisational Development, ICT Transformation Manager, ICT Operations Manager	Critical Review	Action Plans were agreed and progress feedback will be sought in line with agreed implementation dates.	Being followed up as part of the 2015/16 review currently taking place.	
Worcester Regulatory Services	24 <sup>th</sup> August 2015	WRS Management	Limited	Two high and one medium priority recommendations; reconciliation, payments and performance. Action plan agreed.	Being followed up as part of the 2015/16 review due to be undertaken in March 2016.	
<b>2015-16 Audits</b>						
Private Sector Housing - Step-up Private Tenancy Scheme	15th September 2015	Head of Community Services, Strategic Housing Manager and Housing Strategy and Enabling Team Leader.	Moderate	2 "medium" priority recommendations were made in relation to Rent Guarantee Bond and Debt Recovery.	Mar-16	

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Members Allowances	2nd October 2015	Head of Legal Equalities and Democratic Services and Democratic Services Manager	Significant	2 "medium" priority recommendations were made in relation to Broadband/Data Allowances and Change control process for Members Data	Apr-16	
end						