

INTERNAL AUDIT PROGRESS REPORT

London Borough of Southwark

2024/2025 - for presentation to the Audit,
Governance and Standards Committee 3 June 2024

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SUMMARY OF INTERNAL AUDIT WORK

INTERNAL AUDIT

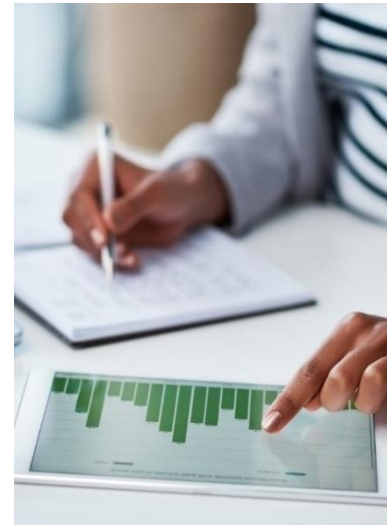
This report informs the Audit, Governance and Standards Committee of progress against completion of the 2023-24 internal audit plans. It summarises the work we have undertaken, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Public Sector Internal Audit Standards.

Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

INTERNAL AUDIT METHODOLOGY

We have agreed terms of reference for each piece of work with the designated audit owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Our reporting methodology is based on four assurance levels in respect of our overall conclusions as to the design and operational effectiveness of controls within the system reviewed - substantial, moderate, limited or no assurance. The four assurance levels are designed to ensure that the opinion given does not gravitate to a "satisfactory" or middle band grading. Under any system, we are required to make a judgement when making our overall assessment. The definitions for our assurance levels are set out in Appendix 1 to this report.



2023-24 INTERNAL AUDIT PLAN

The status of the audits commenced to date for 2023-24 is outlined within section 2 of this report. At the time of writing, work is substantially completed and in the majority of cases, draft or final reports have been issued. We are aiming to have issued all final reports by the end of June 2024. A final annual report for 2023-24 will be presented to the Committee on 15 July 2024.

Where reports have been finalised since the last meeting of the Committee, the executive summaries are included in section 4.

2023-24 INTERNAL AUDIT PROGRAMME FOR SCHOOLS

We have completed the programme of schools for 2023-24. We are awaiting responses to four draft reports, all other reports have been issued in final.

A schedule of status and internal audit opinions for 2023-24 is included in section 3 of this report. The annual schools summary report will be presented to the Committee on 15 July 2024.

2024-25 INTERNAL AUDIT PLAN AND SCHOOLS PROGRAMME

We have confirmed the specific timings with the lead officers for the majority of the audits in the plan for 2024-25 and we are making good progress on the audits scheduled for quarter one. School site visits for the Summer term have been confirmed.

A full status report for the 2024-25 internal audit plan will be included in our progress report to be presented to the Committee on 15 July 2024.

FOLLOW UP

Since our last report in February 2024 the Council has increased its recommendation implementation rate from 85.6% to 89.6%. However, several recommendation target dates for 2022-23 audits are continuing to be revised, which is preventing a higher implementation rate. The remaining longstanding recommendations from previous years yet to be fully implemented have reduced in number.

Summary information and the status of recommendations that have not been completed is included in section 5.

NON-INTERNAL AUDIT WORK COMPLETED SINCE THE LAST MEETING

Risk Management - during 2023-24, we continued to provide administrative support to the Council on its risk management arrangements across the directorates. For 2024-25, this service has been paused whilst the Council reviews its risk management arrangements.

Transparency Reporting - we continue to provide support and challenge to the Council in meeting its obligations for reporting of expenditure under the Local Government Transparency Code 2015. No issues to prevent publication of the information have arisen.

RESULTS OF BDO INTERNAL QUALITY REVIEW

Cold review is an integral component of BDO's quality and risk requirements and requires all streams to have a process in place for engagements to be independently reviewed. The purpose of the cold review is to evaluate whether assignments and projects are being managed in compliance with the Firm's and stream's quality and risk procedures. It also demonstrates our commitment within our strategic framework to high quality, independence, and ethics, and ensures that we meet the Public Sector Internal Audit Standards.

The London Borough of Southwark was selected for cold review for 2023/24. The review involved an initial self-assessment against the required standards by the Engagement Lead (Aaron Winter) and Client Manager (Angela Mason-Bell) and provision of evidence to support assertions made. The evidence was reviewed by a Senior Manager in a team independent to PSIA reporting into the Director for Quality and Risk within Digital & Risk Advisory Services. The assessment was then moderated by a Panel comprised of Partners and Directors.

We are pleased to report that the highest rating of 1 'Meeting Expectations' was assigned, with no advisory or improvement points raised.

2. SUMMARY OF INTERNAL AUDIT PLAN 2023-24

The table below includes the status of audits commenced to date and outlines all agreed work at the time of writing. For those audits not yet at reporting stage, the table is split by directorate. For those audits shaded in grey, the executive summaries are included in section 4.

Audit	Director / Audit Sponsor	ToR issued	Fieldwork	QA / Reporting	Design	Operational Effectiveness
FINAL REPORTS - PREVIOUSLY PRESENTED TO THE AUDIT, GOVERNANCE AND STANDARDS COMMITTEE						
Capital Expenditure Management - General Fund	Strategic Director, Finance/ Chief Accountant	✓	✓	Final Report	Moderate	Moderate
Direct Payments	Director, Adult Social Care	✓	✓	Final Report	Moderate	Limited
Estates Cleaning and Grounds Maintenance	Director, Environment	✓	✓	Final Report	Moderate	Moderate
Family Hubs and Start for Life	Director, Childrens Services	✓	✓	Final Report	NA Grant audit	NA Grant audit
Home Ownership - Garages	Director of Customer and Exchequer Services	✓	✓	Final Report	Moderate	Limited
Home to School Transport	Director of Education	✓	✓	Final Report	NA Advisory	NA Advisory
Housing Adaptations	Director of Asset Management	✓	✓	Final Report	Moderate	Moderate
IR35	Director, People and Organisational Development	✓	✓	Final Report	NA Advisory	NA Advisory

Audit	Director / Audit Sponsor	ToR issued	Fieldwork	QA / Reporting	Design	Operational Effectiveness
Leisure Services - Advisory	Director of Leisure	✓	✓	✓ Final Report	NA Advisory	NA Advisory
Parking Management and Estates Management Parking	Strategic Director, Environment, Neighbourhoods and Growth	✓	✓	✓ Final Report	Limited	Limited
Pupil Registry Systems	Director of Education	✓	✓	✓ Final Report	Substantial	Substantial
Sickness Absence Management	Assistant Chief Executive - Governance and Assurance	✓	✓	✓ Final Report	Moderate	Moderate
Social Housing Act Preparedness	Director of Resident Services	✓	✓	✓ Final Report	Moderate	Substantial
Southwark Repairs - Service Improvement Plan	Director of Asset Management	✓	✓	✓ Final Report	Moderate	Moderate
Statutory Disrepairs	Director, Asset Management	✓	✓	✓ Final Report	Moderate	Moderate
Supporting Families - Grant Audit (April to July 2024 claims)	Director, Children and Families	✓	✓	✓ Final Report	NA Grant audit	NA Grant audit
Supporting Families - Grant Audit (Augst to September 2024 claims)	Director, Children and Families	✓	✓	✓ Final Report	NA Grant audit	NA Grant audit
Supporting Families - Grant Audit (October to December 2024 claims)	Director, Children and Families	✓	✓	✓ Final Report	NA Grant audit	NA Grant audit

Audit	Director / Audit Sponsor	ToR issued	Fieldwork	QA / Reporting	Design	Operational Effectiveness
Tenancy Management Organisation - Accounts Objection Review	Strategic Director, Housing and Strategic Director, Finance	✓	✓	✓ Final Report	NA Advisory	NA Advisory
TMO - Haddonhall Co-operative	Director, Resident Services	✓	✓	✓ Final Report	Moderate	Moderate
Tree Management Service	Director, Leisure	✓	✓	✓ Final Report	Moderate	Moderate
Voids	Director of Resident Services	✓	✓	✓ Final Report	Moderate	Limited
FINAL REPORTS - EXECUTIVE SUMMARIES INCLUDED IN THIS PROGRESS REPORT						
Care Leavers	Director, Children and Families	✓	✓	✓ Final Report	Moderate	Moderate
Cost of Living Fund	Strategic Director, Finance	✓	✓	✓ Final Report	Moderate	Substantial
IT - Shared Service Governance	Chief Digital and Technology Officer	✓	✓	✓ Final Report	Moderate	Moderate
Major Regeneration Programme and Projects	Director of Planning and Growth	✓	✓	✓ Final Report	Moderate	Moderate
Pensions Administration	Pensions Manager	✓	✓	✓ Final Report	Moderate	Moderate
Records Management	Assistant Chief Executive Governance and Assurance	✓	✓	✓ Final Report	Moderate	Limited

Audit	Director / Audit Sponsor	ToR issued	Fieldwork	QA / Reporting	Design	Operational Effectiveness
Staff Recruitment and Vetting	Director, People and Organisational Development	✓	✓	✓ Final Report	Moderate	Substantial
Supporting Families Grant (January 2024 to March 2024 claims)	Director, Children and Families	✓	✓	✓ Final Report	NA Advisory	NA Advisory
TMO - Browning Estate Management Board	Director, Resident Services	✓	✓	✓ Final Report	Moderate	Limited
TMO - Kennington Park Co-operative	Director, Resident Services	✓	✓	✓ Final Report	Limited	Limited
DRAFT REPORTS ISSUED						
Accounts Receivable and debt management	Director, Customer and Exchequer Services	✓	✓	✓ Draft Report 14 May 2024		
Capital Expenditure Management - Housing Revenue Account	Director, Finance	✓	✓	✓ Draft Report 13 Feb 2024		
Council Delivery Plan	Assistant Chief Executive, Strategy and Communities	✓	✓	✓ Final Report		
Housing Benefits	Director, Customer and Exchequer Services	✓	✓	✓ Draft Report 20 May 2024		
ICS / ICB Partnership governance and integration of services	Joint leadership role with the ICB	✓	✓	✓ Draft Report 22 May 2024		

Audit	Director / Audit Sponsor	ToR issued	Fieldwork	QA / Reporting	Design	Operational Effectiveness
IT - Asset / Hardware Management	Chief Digital and Technology Officer	✓	✓	✓ Draft Report 21 May 2024		
IT - Service Review	Chief Digital and Technology Officer	✓	✓	✓ Draft Report 15 May 2024		
Legal Fees	Director, Children and Families / Assistant Chief Executive - Governance and Assurance	✓	✓	✓ Draft Report 30 Apr 2024		
Leisure Services - Assurance	Director, Leisure	✓	✓	✓ Draft Report 20 May 2024		
Payroll	Director, Customer and Exchequer Services	✓	✓	✓ Draft Report 16 May 2024		
Children and Adult Services Directorate						
Adopt London Partnership	Director of Childrens Services / Director of Finance	✓	✓			

Audit	Director / Audit Sponsor	ToR issued	Fieldwork	QA / Reporting	Design	Operational Effectiveness
Finance Directorate, including IT audits						
Budgetary Monitoring and Reporting	Director, Finance	✓	✓ Fieldwork completed	✓ Reporting underway		
Housing Directorate						
Building Safety	Assistant Director, Building Safety	✓	✓	✓ Report in QA		
Two Towers TMO - Advisory	Director, Resident Services	✓	✓			
Governance and Assurance						
Corporate Facilities Management	Assistant Chief Executive, Governance and Assurance	✓	✓ Fieldwork completed	✓ Reporting underway		

3. Schools internal audit plan 2023-24

School	Status	Design	Operational Effectiveness
2023-24			
Bellenden Primary School	Final Report	Moderate	Moderate
Brunswick Park Primary School	Final Report	Moderate	Moderate
Crampton Primary School	Final Report	Moderate	Moderate
Evelina Hospital School	Final Report	Substantial	Moderate
Grange Primary School	Final Report	Moderate	Moderate
Hollydale Primary School	Final Report	Substantial	Moderate
Ivydale Primary School	Final Report	Moderate	Moderate
Riverside Primary School	Final Report	Moderate	Moderate
Robert Browning Primary School	Final Report	Substantial	Moderate
Rye Oak Primary School	Final Report	Moderate	Moderate
St George's Cathedral RC Primary School	Final Report	Moderate	Moderate
St James Church of England Primary School	Final Report	Moderate	Moderate
Tower Bridge Primary School	Final Report	Substantial	Moderate
Friars Primary School	Draft Report 20 March 2024		
Alfred Salter Primary School	Draft Report 2 April 2024		
Comber Grove Primary School	Draft Report 12 April 2024		
Victory School	Draft Report 16 May 2024		

4. EXECUTIVE SUMMARIES OF REPORTS FINALISED SINCE THE LAST MEETING

Care Leavers April 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	1
		Moderate	Moderate	Medium	3
				Low	-
Purpose of review:	To provide assurance over the adequacy of the design and operational effectiveness of the controls in place to ensure that the statutory duties for individuals leaving the Council’s care, and / or transitioning from children to adult social care are met.				
<p>Background:</p> <p>Local Authorities have a duty under the Children (Leaving Care) Act 2000 to help young people who have been looked after to move from care into living independently in as stable a manner as possible by assessing and meeting their care, employment, education, and training needs. The responsible local authority is the one which last looked after an eligible or relevant young person and retains its responsibility wherever the young person may be living in England or Wales. The duties of the responsible local authority include:</p> <ul style="list-style-type: none"> • Keeping in touch with all its care leavers who qualify for these support arrangements, including those aged 18-21, and beyond in some cases, including the assignment of a Personal Adviser • Preparing and regular reviewing a Pathway Plan, an agreement between the child and the authority as to what their needs are, future plans are and how the authority will support those needs and assist in fulfilling the plans. • Providing vacation support and accommodation to assist care leavers in higher education, assistance with employment and the costs of education and training support. • Providing far higher levels of support than simply cash, especially by working across Departments to fulfil their role as corporate parents, the Council will be able to ensure that vulnerable young people receive the care and help they need to grow into independence. <p>Areas of strength:</p> <ul style="list-style-type: none"> • Mosaic, the Council’s social care management system, has been used to identify pathway plans falling due and to record the work social workers and personal assistants and client finance undertake with, and on behalf of, care leavers. Carestore was being used as a filing system to support the Mosaic system. • The latest technology, Microsoft Power BI was being used effectively to analyse and share insights via interactive reporting via a dashboard, complete trend analysis, facilitate supervision of case work, report annually to DfE regarding care leavers and monitor young people who have recently left care and confirm that they were receiving the support they need. 					

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- There were dedicated specialist social workers for housing, and education, including apprenticeships. Care leavers were actively encouraged to pursue higher education.
 - Our review of the outcomes and well-being measurement published by the DfE each year of the proportion of young people not in education, employment, or training (NEET) in Southwark against other London boroughs and England as a whole showed Southwark to be in a comparably favourable position:
 - Southwark: 19%
 - Camden: 20.3%
 - Lambeth: 26.9%
 - Lewisham: 30.2%
 - (London: 21.3%, England: 25.8%)

Areas of concern:

- From our review of a sample of 15 pathway plans for care leavers / those transitioning from children to adult social care we identified that the pathway plans were approved in accordance with a needs assessment, however, three of the pathway plans were reviewed late. We were unable to ascertain the root causes for the delays and these were not noted on the individuals' files.
- For the same sample, we sought to confirm that they had received the required legal documents and found that:
 - In five cases, the pathway plan recorded that the care leaver's passport and/or birth certificate had not been provided.
 - In thirteen cases the care leavers had not been provided with their health histories.
 - In none of the cases had the young people been offered a consultation with the Looked After Children (LAC) nurse to identify any outstanding health needs and to help the care leavers to manage these by offering advice, signposting to other support services, or by making appropriate referrals.
- There were five cases with concerns with regard to the suitability and quality of the accommodation in 2023-24, especially the temporary accommodation provided.
- The Supervision Policy, which includes standards and guidance on management oversight, was developed in 2019-20, and last signed off by the Divisional Management Team in January 2021. Our review of the same sample of 15 care leavers identified two cases where the Mosaic data relating to management oversight was not evident on the file.

Cost of Living Fund April 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	-
		Moderate	Substantial	Medium	1
				Low	1
Purpose of review:	To provide assurance over the adequacy and effectiveness of the control framework to ensure that the Fund operates as intended.				
Background:	<p>One of Southwark Council's Delivery Plan commitments since 2022-23 has been to support low-income households at risk of hardship due to the higher cost of food, energy, and other essentials, by creating a new Southwark Cost of Living Fund. In 2022-23, c.£8m of support was provided. The fund for 2023-24 was c.£11m, comprising four main grants: One-off cost of living payment (£3.5million), Holiday Free School Meals (£3.5million budget), Top Ups to School Uniform Grants (£80k), Energy Bill Support Payments (£950k). Residents can seek support from the Cost-of-Living fund in two ways. The Community Referral Pathway allows voluntary and community sector organisations, faith groups, schools, other social landlords, or elected Members to refer vulnerable households to the fund. Via the Residents Application Route, people on low incomes but not receiving means-tested state welfare benefits may apply directly to the Council's fund - online or by phone.</p>				
Areas of strength:	<ul style="list-style-type: none"> We confirmed that the Council's policies and work instructions in place for the management of the Cost of Living grants were comprehensive and had been file shared to relevant officers via the Cost of Living Programme's Microsoft Teams group. For a sample of 15 one-off payments from the Council's 2023 Energy Support grant, we confirmed for all cases that payees were eligible residents, resident and account identification details between the Northgate Extracts and the Council's payments transactions report were consistent with each other and the values of the payments were correct as per the Council's policies and procedures. The Council was operating well-established corporate procedures in place for the prevention of duplicate payments and fraudulent claims. For a sample of five schools, we confirmed that the Council had received datasets from schools with details of eligible students. For a sample of eight School Uniform Top Up Grant payments and seven Energy Bill Support payments, we confirmed that in all cases, Post Office vouchers had been issued for the correct amounts as per the grant's policy and for the correct purpose. We confirmed that discussions with schools to encourage redemption from parents had taken place (free meals). We were also provided with evidence of expired vouchers being reissued to eligible residents (energy grants). Work instructions for the application and referral process for the Community Referral Pathway and the Residents Application Route were found to 				

be clear and comprehensive.

- We confirmed that daily checks, as described in the Council's referral processing instructions, had taken place for the period selected for testing.
- We reviewed the Council's customer query records for issues raised by residents to the Council's customer service function and confirmed that issues were addressed and resolved within two weeks of submission as per the Council's targets.

Areas of concern:

- In two out of nine policies/procedures, for the Council's procedures around issuing payments and responding to queries, and for the work instructions for the processing and checking of referral forms, we were not provided with evidence of approval or review of the work instructions being used. In two cases, the Council's policies, and work instructions for CRP referrals and CRP & RAR query responses were evidenced as reviewed within the last year, however we identified that the responsible officers were not appropriate positions for the review or approval of work instructions. There was also no formal policy in place with regards to the budget monitoring and reporting undertaken with regards to the Cost of Living Fund.
- From our review of a sample of the three Cost of Living Board meetings in the period February to March 2024, we identified that whilst actions and issues were evidenced as raised by the Service Development Officer and the Programme manager, this was not performed on a consistent basis, with actions having not been evidenced as resolved, and in two cases, having not reflected the actions for all relevant officers.

IT - Shared Service Governance April 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	-
		Moderate	Moderate	Medium	2
				Low	1
Purpose of review:	To provide assurance that the Inter Authority Agreement (IAA) and other governance for the Shared Technology Service was for purpose, has been implemented and serves the needs of the Council.				
<p>Background:</p> <p>Shared Technology Services (STS) is a shared ICT service that supports local authorities in Brent, Lewisham, and Southwark, in addition to the Local Government Association, Lewisham Homes and the Department for Housing and Pensions. London Borough of Brent and London Borough of Lewisham established a shared ICT service in April 2016. The respective Cabinets approved the Councils entering into an interim inter-authority agreement which was signed on 31 March 2017. This provided the framework within which all parties were able to explore and define a three-way shared service proposal as well as the responsibilities for each of the Council's. An Inter Authority Agreement (IAA) sets out the agreed services to be provided by STS, including service desk management, end user services, infrastructure support, telecommunications and network services, project management and strategy and development support. A Joint Committee and a Joint Management Board (JMB) has been established to discharge executive functions on behalf of the three boroughs as they relate to joint activities or areas of common concern in relation to the provision of ICT infrastructure and related supporting services. There is an Operational Management Board (OMB) in place which reports to the Joint Management Board.</p> <p>Areas of Strength:</p> <ul style="list-style-type: none"> • Shared Technology Service (STS) had an appropriate governance structure established to manage the operational activities of STS. • The IAA describes a shared service internal and external dispute resolution process to report any issues to the Joint Committee as and when they are identified. • We noted that any changes to the services described in the IAA are raised at the OMG by the Council and reflected into the annual update of the IAA which then gets approved by the Joint Board. The Service Level Agreements (SLAs) were last amended in 2021 as part of the previous Target Operating Model (TOM). • The IAA includes partnership principles and the agreed strategic outcomes for the Shared ICT Service (SICTS) to build a solid platform for transformation, deliver a quality service, provide great value-for-money, and forge a lasting partnership. • We confirmed that the STS Technology roadmap from 2021- 2026 outlines the investment that will be required to meet the future direction of services within Datacentres, Data Centre Networks and Campus Networks, End User Experience Modernisation, Cyber Protection and Service Improvement. 					

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- A STS Strategy had been drafted for 2023-2026, focused on developing a secure, reliable, and cost-conscious service which always strives for improvement, enabling partners' digital ambition. The Strategy covers the challenges, objectives and commitment for Service & Technology, Cyber Security, Financial Value, Wellbeing and Environment (This draft was discussed with the lead councillors who are the sponsors of the Strategy and is planned to be ratified at the next Joint Committee).
 - The STS Strategy specifies the following core elements that are managed by STS and the areas that are to be managed by the individual partner councils.

Areas of Concern:

- There is insufficient clarity on the roles and responsibilities around project cycle, engagement in technical design and assurance and cyber security.
- The Procurement protocol as defined within the IAA has not always been followed by STS.

Major Regeneration - Programme and Projects March 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	1
		Moderate	Moderate	Medium	-
				Low	2
Purpose of review:	To provide assurance on the major regeneration projects including project management arrangements, procurement and contract management, and project governance with regards to this area of significant expenditure and priority for the Council.				
<p>Background:</p> <p>Over the last two decades, the Council has implemented a range of ambitious urban regeneration and development programmes which helped turn the borough from the 12th most deprived in the UK (out of 326) to the 41st. The Council aims to build on this success and ensure that all the residents and neighbourhoods can access the benefits of regeneration now and in the future. Informed by the Southwark Conversation, the Council adopted an initial Southwark Regeneration Framework in September 2017, which encompasses three primary objectives: a borough wide approach to improving the wellbeing of current and future generations, a One Council and partnership approach to ensure all assets are used and aligned effectively to bring about improved wellbeing across the borough, and wellbeing as a primary outcome of all the work. The Southwark Plan 2022 sets out the Council’s objectives to continue to revitalise places and neighbourhoods to create new opportunities for residents and local businesses, to promote wellbeing and reduce inequalities so that people have better lives in stronger communities. As of January 2023, the Council was undertaking 33 major regeneration projects amounting to £485m approximately.</p> <p>Areas of Strength:</p> <ul style="list-style-type: none"> The Council Delivery Plan (CDP) outlines the priorities and commitments of Southwark Council for regeneration from 2022-2026. There is an accompanying Sustainable Growth Board for monitoring of the CDP and progress of all the regeneration plans ongoing in the borough. The CDP is an action plan, which drives the work of the entire Council and focuses their resources and time to ensure they are pulling together to make the borough fairer, greener, and safer for all residents. It ensures that the Council is working towards social regeneration which is defined on the Council’s website as ‘when areas of the Southwark borough are positively transformed so that regeneration works for all’. The Social Regeneration Framework (2018) priorities have been included in the CDP. As part of the agreement of the CDP, Cabinet receive an annual performance report on the delivery of progress of the plan. We have reviewed the 2022-2023 annual report which provides information on each of the seven priorities and highlighted all the positive progress that the Council had achieved in the year, working towards their planned outcomes mentioned in the CDP. It is clear to see which priorities they managed to address from the CDP. The CDP has clear outcomes the Council wishes to address by 2026, and this information is easily accessible on the Council website. We established that aside from the overall annual CDP progress reports, projects have their own monitoring and reporting processes. Depending on the project, there are different monitoring processes in place, such as monthly senior management meetings or quarterly Cabinet meetings, tailored and implemented on an ad hoc basis. 					

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- In our analysis of progress reports, we found that budget spend, and financial performance were documented across all four sampled projects, facilitating the identification of potential overspending risks and the need for additional capital funding.
 - The CDP, which is monitored on a quarterly basis internally, through the corporate team is also reported to Cabinet where it is further scrutinised.
 - The 'Corporate Reporting App' is an online platform used by Southwark to report metrics on their CDP when required. The app not only improves efficiency and user experience but also enhances data accuracy and transparency within Southwark Council. By automating the data input process and providing clear metrics, the app enables smoother communication between the corporate performance team and department heads. This fosters a collaborative environment where performance against metrics is readily accessible, allowing for proactive decision-making and timely interventions if needed. Furthermore, the app's integration with Lead Member Briefings and Cabinet meetings streamlines the reporting process, ensuring that discussions are well-informed and focused on addressing any challenges promptly. Overall, the adoption of the 'Corporate Reporting App' represents a strategic investment in enhancing organizational effectiveness and promoting data-driven decision-making across the Council.
 - From our review of four projects we found that three had sufficient monitoring in place to identify any poor performance, with actions being raised appropriately.
 - We found sound controls regarding approvals and payments to be operating.
 - We confirmed adequate procurement processes that comply with the Council's Fairer Future Procurement Framework Policy 2022 were in place and evidenced through the Gateway approval process.

Areas of concern:

- Whilst some risk registers for the sampled projects are present, there is limited formalised discussions about the risk registers. For one of the sampled projects, the contractors have withheld the risk register when requested by the Southwark Programme Manager. Both the informal discussions and unavailable risk registers increase the risk of managers not being able to monitor and manage potential issues to projects.
- Contract monitoring is not fully effective due to project plans not being easily accessible to key staff members because of multiple changes of management. As a result, it is difficult to ensure that monitoring is conducted as planned.
- Quality issues for projects are not being sufficiently captured in meetings and discussions with the Council and developers. The use of the digital system by developers for updating issues has resulted in reduced oversight from Council managers as they do not have access to the digital system.

Pensions Administration May 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	1
		Moderate	Moderate	Medium	-
				Low	-
Purpose of review:	To provide assurance over the new Civica UPM system and associated processes embedded following the change in system are being utilised.				
<p>Background:</p> <p>The London Borough of Southwark Pension Fund (the Fund) is part of the national Local Government Pension Scheme (LGPS). The London Borough of Southwark is the 'Administering Authority' for the Fund and has delegated responsibility for the management of all aspects of the Fund, including administration, communication, and good governance. The Administering Authority is responsible for the local administration of the Fund, which comprises over 50 employers and approximately 25,000 LGPS members in total (including active, deferred and pensioner members). The Council has an approved Pensions Administration Strategy Statement for the Fund. The aim of the strategy (which is currently under review pending wider consultation) is to ensure both the Administering Authority and employers are fully aware of their responsibilities under the Fund, and to ensure the standards expected by the Pensions Regulator are met. On 31 March 2023, there were 7,647 active members contributing to the Fund and 8,512 pensioners or dependants who were in receipt of an annual pension. Member contributions to the Fund in 2022-23 was £62.4 million and the total asset value of the Fund was £2 billion. The majority of pension contributions are collected and managed through the principal employer, which is the Council. The Pensions Advisory Panel (PAP) and Local Pension Board (LPB) provide investment advice, governance, and oversight to ensure the Council follows the Pensions Administration Strategy. The Council uses the system Civica UPM to manage the pension fund and pensioner payroll, a system which has been in operation since May 2022. Since September 2023, pension payments to overseas pensioners have been made through Convera (formerly part of Western Union) on behalf of the Council.</p> <p>Areas of Strength:</p> <ul style="list-style-type: none"> Processes are designed to enable the efficient completion of pensions related tasks. Process maps are available for the processes held within the UPM system. A sample of five process maps was reviewed and found to match the testing completed for other risk areas of the scope of this review. Updates to the UPM system are applied on the test server. Tests are completed and then approved by the team prior to uploading onto the main live system. Two substantive updates to the UPM had been implemented since April 2023. We confirmed for both of these that the correct process had been followed including testing on the test server, subsequent approval, and full implementation on the main live system. Users are added to the system based on requests from team managers. We reviewed all users on the system and found 46 total accounts. We found that 26 were AON users, who are undertaking some backlog work for the Council, this was an expected number, and no issues were identified. The remaining 20 were Council employees, including eight who had system access, and eight who had the ability to authorise processes within the system. We confirmed that all were users were current employees and all had access appropriate for their roles. 					

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- It was not possible to receive a report detailing all amendments to standing data, however we were able to receive information relating to all bank account changes since April 2023. While this is a limitation of the scope, bank account changes are the key risk area for amendments, and this was utilised as an alternative for testing and assurance is provided over the process. A sample of ten was tested and we confirmed that they had been processed correctly with correspondence sent to the pensioner where necessary confirming the change.
 - It was not possible to receive a report of all Council opt outs of the pension scheme as these are processed as refunds and are marked as such in the system. The sample of 10 refunds from April 2023 was selected for testing from which we identified three opt outs. In the three opt out cases, the correct process had been followed, including completion of the opt out form and other documentation, and appropriate segregation of duties.
 - For the same sample of 10 refunds we confirmed for all cases that a refund claim form was completed, a calculation completed and processed by one officer, and approved by a second ensuring segregation of duties. Nine of these were processed in a timely manner. For one claim, the employee left a primary school in August 2022, however the leaver was not notified to the pensions team until July 2023. The refund was calculated in August 2023 and sent out to the leaver in August 2023, but was not received until October 2023. This was paid in the next available single payment run in November 2023.
 - For a sample of overseas pensioners we found that payments were being made to the Council's partner Convera, and the correct reference was attached to ensure they were paid correctly to the recipient.
 - For a sample of pensioners who had died after April 2023, we found that all 10 were notified to the pensions team promptly, including by phone or weekly checks of the Gov.UK Tell Us Once system used by the Council. These were all actioned promptly, and correspondence sent out with required information, and once this was received final calculations made and approved before being shared with next of kin.

Areas of concern:

- While payments had been made correctly to overseas pensioners, an annual existence check through issuing life certificates had not been completed for any pensioners paid by the Council. The Council currently pays pension payments into 72 overseas bank accounts.

Records Management February 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	3
		Moderate	Limited	Medium	-
				Low	1
Purpose of review:	To provide assurance over the adequacy and effectiveness of the Council’s controls with regards to its data retention policy and procedures, covering electronic and physically held records.				
Background:					
<p>The Council in conjunction with an external consultant, maintain a Retention and Disposal Schedule. This is supported by a Corporate Records Management Policy and a Records Management Good Governance Guide, all of which are available to view by all officers on the Council’s intranet. The Council stores some documents in an Iron Mountain storage facility. The Council has a record of all the files which are held off site so that these can be retrieved as and when required. There is a schedule highlighting a review/ destruction date for documents held by each of the departments which are to be destroyed accordingly. This area was last audited in 2020 where we provided an overall assurance opinion of substantial assurance for the design of the control framework and moderate assurance for the operational effectiveness of the controls in place. We noted one high priority recommendation to enhance processes.</p>					
Areas of Strength:					
<ul style="list-style-type: none"> • The Council has comprehensive and up to date Data Protection and Data Retention Policies and schedules which we confirmed were readily accessible to employees and Council members through The Source. Data retention and deletion timings were included in the Council’s information asset register. • The Council has a comprehensive and up to date Retention and Disposal schedule, which details the disposal methods for both physical and electronic records. • The Council has an information asset register, which was last updated in 2021. • We reviewed a sample of ten records from the Council’s information asset registers and confirmed that they were complete and appropriately classified and retained in accordance with the Council’s Retention and Disposal Policy. • Records of assets of continuing value are retained through an off-site storage facility, Iron Mountain. We confirmed that comprehensive and up to date disposal processes were documented. We performed a walkthrough of Iron Mountain’s Connect System and confirmed that a comprehensive record, detailing their respective cost centres, departments, transit and data history, and destruction dates, was in place. 					

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- We reviewed the arrangements for the transit of data between the Council and Iron Mountain and verified that there are appropriate security measures (such as enhanced DBS checks for staff, bar code labels and tamper evident seals) in place to protect data in transit.
 - We performed a walkthrough of the Contract Manager's activities for managing the contract between the Council and Iron Mountain and confirmed that the Contract Manager raises any concerns regarding the contracts, they are in contact with the customer service team on a weekly basis. We found that the service level KPIs for 2022-23 had been achieved on all performance measures, and for 2023-24, all had been achieved to date.

Areas of Concern:

- A number of the Council's policies and procedures were outdated or did not have a scheduled review date.
- We reviewed a sample of records from the Council's information asset registers and identified that there was no process in place for the monitoring of disposal dates for some records, which was not in line with the Council's Retention and Disposal schedule.
- We reviewed a sample of records from the Council's information asset registers and identified that evidence for the deletion of data was not retained for some records, leaving us unable to confirm whether the date of deletion had been in line with the Council's Data Retention and Disposal schedule.
- We did not receive evidence, and therefore could not complete the relevant testing for a number of sample records and systems from the Council's information asset register. The list of records and systems where evidence was requested can be found in the Appendix - Sample testing results.

Staff Recruitment and Vetting April 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	-
		Moderate	Substantial	Medium	1
				Low	2
Purpose of review:	To provide assurance over the adequacy and effectiveness of the Council's recruitment processes relating to pre-employment checks and controls.				
<p>Background:</p> <p>To recruit the most suitable employee and to safeguard the Council from any negative impact caused by the recruitment of an individual, the Council should carry out appropriate and proportionate pre-employment checks to determine the suitability of a candidate. CIPD guidance suggests the following checks should be performed: Right to work, Criminal record, Medical, Professional qualifications, References, Online and social media. Pre-employment checks must be carried out in accordance with the six data protection principles as set out within the Data Protection Act 2018. An external review of the Council's resourcing function was recently completed by Evolving Solutions, which made several recommendations for improvement.</p> <p>Areas of Strength:</p> <ul style="list-style-type: none"> The Council has a Recruitment policy in place which is currently under review drawing on the advice of Xpert HR, which is a third party HR service, who will enable the council to benchmark the policy with good practice and updated government legislation. The policy currently outlines the pre-employment checks and procedures for staff involved with the recruitment process to follow. We confirmed that staff involved in the recruitment process are required to complete the Recruitment and Selection training. We verified that key staff members involved with staff recruitment have completed this training and there is a log in place to reflect this. Council guidance states that safer recruitment training should be completed by at least one panel member who is involved in a recruitment exercise. HR staff monitor who has or has not completed the training. Officers who have not completed the training will receive a prompt through the learning management system to complete and attend the training. At the moment, the procedure for non-compliance of mandatory training is currently under review. All staff are required to undergo safeguarding checks as written out in the Safeguarding Standards in Recruitment policy. We reviewed a sample of 15 starters from April 2023 to December 2023. In all instances, we noted that right to work documents and a DBS check was provided. In 12 instances, an application form was completed adequately by the applicant, with the other three staff members being TUPEd members so application forms were not required as they were completed for the previous business they worked for. In 12 instances, a medical check was completed in a timely manner, prior to the commencement date, relevant qualifications were provided, and checks and applications were approved by the hiring manager prior to employee start dates. This information was not required by the Council for the three TUPE'd employees. We confirmed DBS rechecks occur annually for all temporary staff, with the Matrix system sending out an alert when a re-check is required. We confirmed that the DBS re-checks are not outlined in any policy that the Council has currently. However, we were advised that this will be included in the current HR policies under revision. We also confirmed that if there is a breach in the initial DBS checks, the Matrix system will inform the hiring 					

manager and contract specialist. The Manager would then complete a risk assessment form which is authorised by the Head of Service or Director, prior to the individual commencing work.

- We confirmed that the Council has a matrix system which completes checks for agency staff and flags up if any documents do not pass the pre-employment checks. The checks are sent to the Council and monthly meetings are taken to review the flag as one of the KPIs the Council is required to monitor. A KPI spreadsheet is in place to monitor KPIs monthly, and an action log is used to monitor and record the outcomes of the monthly meetings.

Areas of Concern:

- We reviewed the Recruitment policy and confirmed that the role of social media is not outlined in the recruitment process. This should be detailed to ensure that recruiting staff follow standardised procedures and are not at risk of breaching the General Data Protection Regulation.
- The Council's policies were last reviewed in 2013, prior to the appointment of the current Director of People and Organisational Development and Head of Resourcing. We noted that the policies are currently under review informed by the advice of a third-party provider. The Council's policies and procedures are benchmarked against best practices and legislation from 2013. The Council should ensure that the Recruitment policy is reviewed regularly and updated every two years to reflect any changes to legislation and best practice.
- We confirmed that the Council has decided not to perform DBS re-checks for permanent members of staff. Re-checks are not currently outlined in any policy, although it is to be noted that the policies are currently under review.

Supporting Families Grant Claims 1 January 2024 to 31 March 2024 March 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	-
		N/A - Advisory	N/A - Advisory	Medium	-
				Low	-
Purpose of review:	In accordance with the Supporting Families Programme Guidance, we sought to verify a representative sample of 10% families that the Council has supported, before the claim is submitted, to confirm the eligibility of the payments by results being claimed.				
Background:	<p>The Supporting Families Programme launched in March 2021 and builds on the previous Troubled Families programme. Its focus is on building the resilience of vulnerable families, and on driving system change so that every area has joined up, efficient local services which are able to identify families in need and provide the right support at the right time. Supporting Families is committed to strong multi-agency local partnerships in every area with mature local and national data systems. This means investing more in good practice, overcoming barriers to data-sharing, and involving the voice of families in service design and commissioning. The programme falls under the joint remit of the Government’s Department of Education and the Department for Levelling Up, Housing and Communities. The programme’s aim is to have a positive impact for individual families, across public services and for the rest of society. The guidance 2022-25, issued by MHCLG, applies to the Council’s claims from 31 July 2023 and has been applied in this audit. The Council receives £800 for each claim under the Payment by Results process. The total number of claims for 2023-24 was 750, resulting in grant funding of £600,000. This compared favourably to the original anticipated number of 676 claims and grant funding of £540,800.</p>				
Conclusions and Findings:	<ul style="list-style-type: none"> For the period 1 January 2024 to 31 March 2024, we reviewed a sample of 21 claims. We verified with reference to evidence that the summary of extracts and data correspond to the reasons why the family is considered a successful outcome. For each child of school age in the family, we confirmed that they achieved at least two consecutive terms of attendance over 90%. Of our sample, we identified no exceptions to prevent submission. For a sample of seven cases, we identified no discrepancies between the source data and the successful outcome assertions provided by the Council. 				

TMO - Browning Estate Management Board May 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	2
		Moderate	Limited	Medium	7
				Low	-
Purpose of review:	To provide assurance over the adequacy of the design and operational effectiveness of the controls in place relating to the TMO's operational and financial processes, such as financial management, procurement, and statutory compliance, including health and safety, fire risk assessment and asbestos.				
<p>Background:</p> <p>The Council funds the TMOs to run services and provides local offices. TMOs employ their own staff to provide the housing management services for the residents. The Council has a Modular Management Agreement (MMA) in place with each TMO, and these agreements are monitored on behalf of the Council by the Tenant Management Initiatives (TMI) team within the Housing Department. The agreements outline the services that each party is responsible for in the management of housing stock. TMOs are distinct legal bodies, with the protection of limited liability for members. An elected Management Committee, comprising local tenants and leaseholders, runs the TMO and represent the residents and set the priorities. Any savings a TMO makes can be spent in line with the wishes of the local community. There is a total of 498 flats at the Browning Estate Management Board.</p> <p>Areas of strength:</p> <ul style="list-style-type: none"> • The MMA stated the TMO shall provide the Council with a copy of the accounts and balance sheet for the previous financial year audited by a qualified auditor. We confirmed the Council received this for four out of the last 5 years. • We obtained the housing stock condition surveys for all properties managed by FHCS. We reviewed the surveys, and they show stock condition data including information on when attributes were installed, had works done and when they are next due for repair. The surveys did not make any recommendations regarding notices of dilapidation. • There was a comprehensive and up-to-date Finance Policy, Standing Orders and Financial Regulations which have been approved by the Management Committee and clearly outline all aspects of procurement, approval, and financial limits. • We confirmed that membership of the TMO Management Committee is in accordance with the terms of reference. • We confirmed that adequate processes are in place and records maintained for the identification and collection of rental income. Our sample testing confirmed that arrears are being managed and debts recovered in accordance with agreed procedures. • We confirmed that the cheque book is locked in the safe. The usage of the cheque book is effectively monitored through physical review and monthly bank reconciliations. • From our sample testing of general repairs, we confirmed that works orders had been raised and that invoices on file had been annotated with the quality checks undertaken. We concluded that works were allocated in line with the Council's required priorities. 					

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- From our sample testing, we confirmed that valid and signed tenancy agreements were on file and that the necessary pre-tenancy checks had been completed, such as ID and bank checks.
 - We confirmed that the process for overtime was clearly documented within the financial procedures, and through sample testing that this had been followed, including being signed by the employee and then authorised by the Estate Manager.
 - We reviewed the process for leasing to prospective tenants as outlined within the MMA and confirmed that the TMO retained all correspondence and completed all required checks prior to the award of the property.
 - The MMA outlines the arrangements between the Council and the TMO in terms of managing leaseholders and service charges, which we found to have been followed.

Areas of Concern:

- We found that works orders and invoices were not raised and authorised in line with the MMA and financial procedures.
- Credit/debit card expenditure was not reviewed and signed as approved by the appropriate delegated authority as per the financial standing orders.
- Budget monitoring was not being completed monthly and it had not been subject to Management Committee review.
- Works had been completed by contractors on the approved list, however, this was not current and had not been regularly reviewed and approved by the Management Committee. No original contracts and supporting documentation had been retained.
- The Management Committee terms of reference did not outline the key governance requirement such as the roles and responsibilities of members, frequency of meetings and quorum requirements were not documented.
- The Management Committee meetings were not undertaken monthly. The meetings were not consistently minuted to show discussions and formal actions to take forward and to be followed up at subsequent meetings.
- Not all members of the Management Committee had signed a declaration of interest form.
- A training plan for Management Committee members is not in place, to ensure that gaps of skills are being identified in a timely manner.
- The TMO has an equal opportunity, staff appraisal, grievance and disciplinary policies and procedures, however these were not reviewed or approved in the last 12 months.

TMO - Kennington Park House Co-Operative February 2024		LEVEL OF ASSURANCE		SUMMARY OF RECOMMENDATIONS	
		Design	Operational effectiveness	High	3
		Limited	Limited	Medium	3
				Low	-
Purpose of review:	To provide assurance over the adequacy of the design and operational effectiveness of the controls in place relating to the TMO's operational and financial processes, such as financial management, procurement, and statutory compliance, including health and safety, fire risk assessment and asbestos.				
Background:					
<p>The Council has a Modular Management Agreement (MMA) in place with each TMO, and these agreements are monitored on behalf of the Council by the Tenant Management Initiatives (TMI) team within the Environment and Leisure Department. The agreements outline the services that each party is responsible for in the management of housing stock. TMOs are distinct legal bodies, with the protection of limited liability for members. An elected Management Committee, comprising local tenants and leaseholders, runs the TMO and represent the residents and set the priorities. Any savings a TMO makes can be spent in line with the wishes of the local community. There is a total of 40 flats at Kennington Park House Co-operative.</p>					
Areas of strength:					
<ul style="list-style-type: none"> • The cheque book was securely stored and is regularly monitored through reconciliations. • Our testing confirmed that debts were being recovered in accordance with agreed procedures. • The TMO had implemented a satisfaction form for when repairs were completed. • We reviewed the process for leasing to prospective tenants as outlined within the MMA and confirmed that the TMO retained all correspondence and completed all required checks prior to the award of a property. • The MMA outlined the arrangements between the Council and the TMO in terms of managing leaseholders and service charges, which we found to have been followed accordingly. 					
Areas of concern:					
<ul style="list-style-type: none"> • Budget monitoring was not being completed on a monthly basis and there was no evidence that the financial position had been subject to routine oversight by the Management Committee. • The finance policy was last reviewed in March 2015 and requires updating to reflect current practice. 					

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- From our sample testing, we found that works orders and invoices were not raised and authorised in line with the MMA and financial procedures, and invoices were not signed in line with the requirements of the Finance Policy prior to payment.
 - A central log of work repairs at the TMO was not being maintained. Therefore we were unable to complete our test to confirm if works orders were being raised in a timely manner and required quality checks had been undertaken on completed jobs.
 - A standalone terms of reference is not in place for the Management Committee. Therefore, key governance requirement such as the roles and responsibilities of members, frequency of meetings and quorum requirements are not documented.
 - The equal opportunity and staff appraisal policies had not been reviewed and re-approved in the last 12 months.
 - Not all members of the Management Committee had signed a declaration of interest form.

5. SUMMARY OF RECOMMENDATIONS STATUS

The chart shows the relative percentages for each year from 2020-21 to 2023-24.

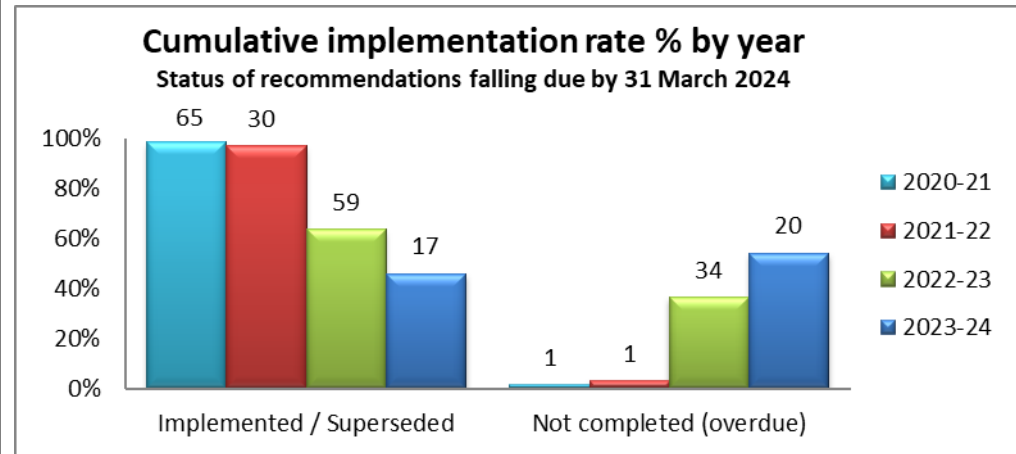
Of the 536 high and medium recommendations relating to 2017-18 to 2023-24, that have fallen due as of 31 March 2024, we have confirmed with reference to evidence that 480 have been fully implemented or superseded, representing 89.6%, an increase on the rate of 85.6% reported in February 2024.

However, several recommendation target dates for 2022-23 audits continue to be revised multiple times, which is preventing a better implementation rate. The remaining longstanding recommendations from previous years yet to be fully implemented have reduced in number.

The implementation status of each internal audit is summarised in the table overleaf.

Please note that the table does not include audits where:

- *All recommendations have been implemented.*
- *Recommendations to be followed up as part of another audit during the year (for example key financial systems)*
- *Recommendations not yet due for implementation.*



RECOMMENDATION IMPLEMENTATION RATES BY AUDIT - LONGSTANDING IN PROGRESS

Audit Area	Total High & Medium recommendations due for implementation	Implemented		In progress at the follow up date		Awaiting update, revised date, or evidence		% Verified complete	Management Implementation dates
		H	M	H	M	H	M		
Environment, Neighbourhoods and Growth Directorate									
2020-21 South Dock Marina <i>Please refer to latest update.</i>	1	-	-	-	-	1	-	0%	June 2022 November 2022 March 2023 March 2024 June 2024

RECOMMENDATION IMPLEMENTATION RATES BY AUDIT WHERE NOT YET FULLY COMPLETED

Audit Area	Total High & Medium recommendations due for implementation	Implemented		In progress at the follow up date		Awaiting update, revised date, or evidence		% Verified complete	Management Implementation dates
		H	M	H	M	H	M		
Assistant Chief Executive's Department - Governance and Assurance									
2023/2024 Hospitality and Gifts Register and Registers of Interests	3	-	-	-	-	-	3	0%	March 2024 September 2024
2022-23 Member Officer Protocol	2	-	-	-	-	1	1	0%	October 2023 March 2024 No update received
2023/2024 Overtime Review (Advisory)	3	-	-	-	-	-	3	0%	March 2024 June 2024
2022-23 Payroll and HR	2	-	1	-	1	-	-	50%	July 2023 September 2023 January 2024

Audit Area	Total High & Medium recommendations due for implementation	Implemented		In progress at the follow up date		Awaiting update, revised date, or evidence		% Verified complete	Management Implementation dates
		H	M	H	M	H	M		
									March 2024 December 2024
2022-23 Supplier Resilience	5	1	3	-	1	-	-	80%	August 2023 October 2023 January 2024 October 2024
Childrens and Adults Directorate									
2022-23 SEND Finance	7	-	1	4	2	-	-	14%	January 2024 May 2024 June 2024
2022-23 Mental Health	2	-	1	-	1	-	-	50%	October 2023 December 2023 March 2024 June 2024
2022-23 Safeguarding Adults	2	-	-	-	2	-	-	0%	November 2023 January 2024 March 2024 August 2024
Environment, Neighbourhoods and Growth Directorate									
2022-23 Library Services	4	-	3	-	1	-	-	75%	September 2022 April 2023 July 2023 September 2023 December 2023 March 2024 June 2024
2022-23 Cemeteries and Crematoria	4	-	3	-	1	-	-	75%	30 June 2023 December 2023

Audit Area	Total High & Medium recommendations due for implementation	Implemented		In progress at the follow up date		Awaiting update, revised date, or evidence		% Verified complete	Management Implementation dates
		H	M	H	M	H	M		
									March 2024 May 2024
2022-23 Markets	3	-	-	-	3	-	-	0%	September 2023 April 2024 June 2024
2022-23 No Recourse to Public Funds	3	1	2	1	2	-	-	100%	3 July 2023 31 August 2023 3 November 2023 June 2024 - awaiting evidence
2022-23 Parking Management and Estates Parking Permits	5	1	-	2	2	-	-	20%	January 2024 March 2024 August 2024
Finance Directorate									
2022-23 Insurance	2	-	-	-	2	-	-	0%	December 2022 July 2023 September 2023 January 2024 March 2024 May 2024
2022-23 Accounts Payable	3	1	1	-	1	-	-	67%	July 2023 September 2023 April 2024 May 2024
2022-23 Housing Rents	4	-	2	-	2	-	-	50%	October 2023 February 2024 March 2024 August 2024

Audit Area	Total High & Medium recommendations due for implementation	Implemented		In progress at the follow up date		Awaiting update, revised date, or evidence		% Verified complete	Management Implementation dates
		H	M	H	M	H	M		
Housing Directorate									
2022-23 TMO - Brenchley Gardens	8	-	-	7	1	-	-	0%	November 2023 March 2024 September 2024
2023-24 Voids	2	1	-	-	1	-	-	50%	April 2024 July 2024
2023-24 TMO - Haddonhall	4	-	1	-	3	-	-	25%	March 2024 September 2024

FURTHER INFORMATION ON RECOMMENDATIONS NOT YET IMPLEMENTED WHERE UPDATES WERE RECEIVED

The tables below show the latest updates with regards to the recommendations not yet implemented, where these have been provided. The table excludes recommendations that have not fallen due or where no update has been provided.

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
Governance and Assurance Directorate		
2023-24 - Hospitality and Gifts Register and Registers of Interests (Officers)		
<p>We recommend the environment and leisure log is utilised across all areas detailing all gifts even those that do not breach the threshold.</p> <p>Medium</p>	<p>Director of People and Organisational Development</p> <p>March 2024 September 2024</p>	<p>We were advised by the Director of People and Organisational Development that the format of the Hospitality and Gifts register will be standardised drawing on good practice, including the log historically maintained by the (then named) Environment and Leisure directorate. The due date for this action has therefore been revised in discussion with management.</p>
<p>a) Guidance for staff and the induction process should be updated to confirm that where officers or managers change role within the year that they should complete a declaration of interest if applicable. The induction process should also be updated to include further training on DOIs and gifts and hospitality.</p> <p>Medium</p>	<p>Director of People and Organisational Development</p> <p>March 2024 September 2024</p>	<p>We were advised by the Director of People and Organisational Development that the Guidance for staff has been updated to reflect this requirement and the Induction process is still yet to be updated. The due date for this action has therefore been revised in discussion with management.</p>
<p>a) The officers required to complete declarations of interest should be expanded to include all social workers and agency workers.</p> <p>c) Guidance available to staff in relation to gifts should be updated to include case studies so managers are more easily able to understand obligations with this guidance also including disposal of any gifts.</p> <p>Medium</p>	<p>Director of People and Organisational Development</p> <p>March 2024 March 2025</p>	<p>We were advised by the Director of People and Organisational Development that the Guidance for the following:</p> <p>a) A pilot Declarations of Interest project is underway in Children and Adult services. As part of the pilot, all staff in all roles (including social workers, agency workers and contractors) are required to complete a declaration. The period for declarations to be completed opened on 1 March and will close on 26 April. After this time, the pilot will be evaluated and learnings fed into council-wide changes, which will be introduced the following year.</p> <p>b) Case studies are to be developed.</p> <p>The due date for this action has therefore been revised in discussion with management.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
2023-24 - Overtime Review (Advisory)		
<p>1.2 An overarching overtime policy should be created covering all the services within the Council. The Council should ensure that consistent processes are applied across the divisions. This policy should include at least the following:</p> <ul style="list-style-type: none"> • How to request overtime • Who can request overtime • Who can approve overtime • What documentation should be retained as evidence • Time frame within which overtime claims should be made <p>Medium</p>	<p>Director of People and Organisational Development March 2024 September 2024</p>	<p>We were advised by the Director of People and Organisational Development that work is underway to review overtime usage, focused initially on the housing directorate. An overarching policy or guidance will be developed. However, the timeframe for this needs to be extended given other competing priorities for policy, pay and reward resource. The due date for this action has therefore been revised in discussion with management.</p>
<p>2.2 Overtime reporting and monitoring should be encouraged at a department level to ensure the issue of excessive overtime claims can be dealt with at a local level, which can provide additional insight into tackling the problem across the Council.</p> <p>Medium</p>	<p>Director of People and Organisational Development March 2024 June 2024</p>	<p>We were advised by the Director of People and Organisational Development that the monthly reports on overtime are in development. HR Business Partners will be responsible for sharing these with senior leaders on a regular basis. The due date for this action has therefore been revised in discussion with management.</p>
<p>3.1 The planned review of the Trade and Craft Agreement 2021 should involve stakeholders from across the Housing directorate, including the Head of Building Services, to ensure a desirable outcome for all stakeholders.</p> <p>Medium</p>	<p>Director of People and Organisational Development April 2024 March 2025</p>	<p>We were advised by the Director of People and Organisational Development that the planned review of the Trade and Craft Agreement 2021 has not yet begun. The revised target date for completing this review, which will be undertaken via negotiation with trade unions. The due date for this action has therefore been revised in discussion with management.</p>
2022-23 Payroll and HR		
<p>1. The review of the overpayments procedure document should be completed to ensure guidance regarding sufficient and timely recovery action is in place. This recommendation was raised in the 2021/22 audit and has rolled over into this audit.</p> <p>2. Staff should be briefed on the reviewed procedure to ensure it is adhered to. This recommendation was raised in the 2021/22 audit and has rolled over into this audit.</p>	<p>Head of HR Operations/Principal SAP Officer 1 October 2023 January 2024 March 2024 December 2024</p>	<p>1. The Head of HR confirmed that this requirement has been incorporated into a wider programme of work to document all payroll processes. This work is underway. The due date for this action has therefore been revised to September 2024.</p> <p>2. Aligned with the above work the Head of HR operations reminded all colleagues in the payroll and transaction teams of the protocol and its application. The work underway to document all payroll processes will be incorporated into induction and training processes for the team, following its completion. The due date for this action has therefore been revised to December 2024.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>3. The Council should introduce a KPI to ensure recovery action for overpayments is monitored, such as a KPI for the time taken for overpayments to be added to the managed debt process.</p> <p>Medium</p>		<p>3. A meaningful KPI and reporting framework will be submitted to the Director of People and Organizational Development for approval. The due date for this action has therefore been revised to September 2024.</p>
2022-23 Supplier Resilience		
<p>7.1 Ensure all contracts include Key Performance Indicators to measure the performance of the supplier.</p> <p>7.2 Ensure all contract managers regularly monitor performance of the supplier in line with the contract.</p> <p>Medium</p>	<p>Chief Officers / CMT Strategic Director of Finance and Assistance Chief Executive - Governance and Assurance</p> <p>August 2023 September 2023 January 2024 March 2024 October 2024</p>	<p>The Head of Procurement advised that a review of Contract Management has been on-going since November 2023. It is presenting findings and recommendations on next steps to CMT 23 January 2024. The Procurement Act scheduled date to come into force is currently October 2024 and will entail more guidance around KPIs and reporting, as well as planning for future pipeline procurements as part of the preparation for these statutory requirements.</p> <p>The due date for this action has therefore been revised in discussion with management.</p>
Children's and Adults Directorate		
2022-23 Safeguarding Adults		
<p>Team management should complete quarterly sample checks to ensure referrals are completed and documented appropriately. Where issues are identified training should be implemented for the team or individuals to ensure these are resolved.</p> <p>Medium</p>	<p>Team Manager - Safeguarding and DOLS - Adult Social Care</p> <p>31 August 2023 January 2024 March 2024 August 2024</p>	<p>The Principal Social Worker and Strategic Lead for Safeguarding Adults and DoLS advised that the incoming Safeguarding and DoLS team manager joined us toward the end of February 2024. They have begun reviewing S42(2) Safeguarding Enquiries that are in excess of the recommended time frames. Part of this review has been to look at the quality of these and recommend training/ improvements. Once this work is complete a quarterly Safeguarding quality audit will be set up. The due date for this action has therefore been revised in discussion with management.</p>
<p>The Performance and Quality Team should undertake monthly audits focusing on safeguarding to ensure that any issues are identified and resolved by the team.</p> <p>Medium</p>	<p>Team Manager - Safeguarding and DOLS - Adult Social Care</p> <p>31 August 2023 January 2024 March 2024 August 2024</p>	<p>As above.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>2022-23 Mental Health</p> <p>2.1 The Council should complete a review of all placements currently ongoing and ensure that any placements that have been in place for longer than 12 months have been subject to an annual review which has been passed to Panel for review.</p> <p>2.2 The next review date following the initial assessment should be included into Mosaic to allow for reports to run detailing when placements are close to being due for an annual assessment. This should be communicated with the Performance & Quality Data Team so they can include this information in the management information currently provided. If this is not feasible due to the functionality of Mosaic, then we recommend that spot checks should be carried to ensure that placements have been reviewed annually.</p> <p>Medium</p>	<p>Heads of Service / MOSAIC - manager</p> <p>September 2023</p> <p>November 2023</p> <p>March 2024</p> <p>To be followed up prior to September 2024 AGSC</p>	<p>We were advised the following by the Service Manager:</p> <p>2.1 We continue to work towards achieving this and have prioritised those people who due an annual review. As of Sept 2023, 154 cases have had review in the past 12 months. Teams are making good progress to achieve this recommendation. This will also be an objective embedded in team and service plans. A relatively new SLaM Review team are now working closely with ASC to support this objective.</p> <p>2.2 Business Support Staff for each team can run reports which identify when reviews are coming up and use this data to ensure reviews take place on time. Generic review data for each service is shared as part of the performance dashboards shared by PDQ at SMT.</p>
<p>2022-23 SEND Finance</p> <p>2.1 The SEND Finance Team should ensure that invoices are paid within the terms set by the placement providers and in accordance with the terms and conditions of the Dedicated Schools Grant in relation to top-up funding. Where there are delays in making a payment or the invoice is disputed, the reason for the delay should be recorded on the invoice and the spreadsheet and the provider should be notified of when to expect a payment.</p> <p>2.2 Payments should be made more frequently, for example, termly at least, to those providers who are currently only paid twice a year. Consideration should be given to the following to assist in the payment of invoices more frequently: use of Mosaic system; raising of blanket Purchase Orders to providers; encouraging providers to join a framework where they are paid a monthly amount.</p> <p>2.3 The consolidation of the data in the Capita system will help to improve the accountability and approval to mitigate the risk of inappropriate payments. In addition, the production of regular aged creditors report would assist in the follow-up of non-payments to providers.</p>	<p>Assistant Director for SEND</p> <p>January 2024</p> <p>May 2024</p> <p>To be followed up prior to July 2024 AGSC</p>	<p>We were advised by the Business and Finance manager the following updates:</p> <p>A detailed end-to-end review of the SEND finance processes, tracking and monitoring arrangements has been completed.</p> <p>Outcomes:</p> <p>1 - From 2 finance officers in March 2023 to 4 finance officers and a senior finance officer (12-month interim agreement with a business case for permanent recruitment)</p> <p>2 - Started the DocuSign project that will allow us to send out SLAs to almost 500 settings simultaneously at the start of each term. This will be followed by a purchase order and potentially automated payment runs. The value of the PO will be updated each term to reflect changes. We expect this project to be completed by the end of Summer Term. Most of the backlog has been cleared. We expect it to be cleared by the end of June.</p> <p>In addition, we have been advised that some of these actions have been completed, which we have requested evidence before we can mark as complete.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
High		
<p>4.1 The SEND Finance Team should record details of payment onto the spreadsheet and the amounts outstanding for the remaining of the year. The student ID number should be used as reference for each payment to allow easy reconciliation of the payment amount to the child. Providers should be instructed to quote the Student ID on all invoices prior to being sent to the Council to allow the invoices to be matched to the child.</p> <p>4.2 Regular reconciliations, on a termly basis at least, should be undertaken of payments made on SAP against payments made as per the spreadsheet and Capita system. The reconciliations should be reviewed by a second officer for completeness and accuracy</p> <p>High</p>	<p>Assistant Director for SEND January 2024 May 2024 To be followed up prior to July 2024 AGSC</p>	<p>We were advised by the Business and Finance manager the following updates:</p> <p>4.1 SEND Finance has been using Student IDs since 01.04.23 to process payments Funding Data is entered on Capita. The funding information is reconciled for each setting. All schools will be provided with Student IDs via the DocuSign project otherwise an alternative system/process will be required. We plan to move away from invoicing because it is not efficient.</p> <p>4.2 The team has additional resources. (1 senior finance officer and 4 finance officers). This has reduced some of the pressure and will help with a more manageable workload going forward. Reconciliations are always reviewed by a second officer for completeness and accuracy.</p> <p>In addition, we have been advised some of these actions have been completed, which we have requested evidence before we can mark as complete.</p>
<p>5.1 Spot checks should be undertaken on a periodic basis on a sample of cases to confirm that data is accurate on the spreadsheet, the Costing Form and Capita system. Evidence of these checks should be maintained.</p> <p>5.2 Local procedures should be developed to include the maintenance of the spreadsheet and the spot checks. This should be used as a training guide for new officers and a refresher guide for existing officers</p> <p>Medium</p>	<p>Assistant Director for SEND January 2024 May 2024 To be followed up prior to July 2024 AGSC</p>	<p>We were advised by the Business and Finance manager the following updates:</p> <p>5.1 All the data is now on Capita. SEND finance can log disputes on the system. The disputes are checked/reviewed by coordinators. The finding disputes report can be downloaded by anyone however we have decided to organise regular meetings with coordinators to review the disputes report (twice per month)</p> <p>5.2 The team has attended at least 2 Capita training sessions.</p> <p>In addition, we have been advised some of these actions have been completed, which we have requested evidence before we can mark as complete.</p>
<p>7.1 The inaccuracies noted in the sample above should be investigated and the spreadsheet updated.</p> <p>Medium</p>	<p>Assistant Director for SEND January 2024 May 2024 To be followed up prior to July 2024 AGSC</p>	<p>We were advised by the Business and Finance manager the following updates:</p> <p>Capita is updated regularly. SEND finance reconciles the account for each school and logs funding disputes on the system to be resolved by the coordinators.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>In addition, we have been advised some of these actions have been completed, which we have requested evidence before we can mark as complete.</p>		
<p>Environment, Neighbourhoods and Growth Directorate</p>		
<p>2020-21 South Dock Marina</p>		
<p>Both the Council and Marina should work together in order to agree a solution towards paperless working. Whilst we also recognise that the Marina does not have immediate capacity to deploy resources to scan all documentation, this is something that the Marina and Council should consider over the medium-long term to ensure all paper documentation has been scanned to either the Havenstar system (pending relevant modules and system upgrades) or the Marina's shared drive.</p> <p>Medium</p>	<p>Harbour Master June 2022 April 2024 June 2024</p>	<p>We were advised by the Divisional Business Manager that the Marina Management Software went live on 1 April 2024. All customer records will be held on software. All historic information will be scanned to current customer records. Expected completion of scanning historic data to customer records is June 2024. The due date for this action has therefore been revised in discussion with management.</p>
<p>2022-23 Library Services</p>		
<p>b) A formal investigation should be initiated by Senior Management to review whether the services received by the service provider meet contractual expectations, and whether an alternative option should be considered where collections are not made in line with the contract, and the issue persists.</p> <p>Medium</p>	<p>Library Operations Manager August 2022 March 2023 July 2023 September 2023 December 2023 March 2024 June 2024</p>	<p>We were advised by the Libraries and Heritage Manager that the Cashless payments has been implemented at a test site pending roll out to all sites. However there remains some issues with the system and its functionality with the library self-service kiosks which are still being resolved and tested between our IT teams and the self service provider. It is now anticipated that roll out of the cashless payments to all libraries will be completed by June 2024 pending no further issues. Current cash collection services and procedures are operating as normal with no issues reported.</p>
<p>2022-23 Cemeteries and Crematoria</p>		
<p>2.1 Our review supports consideration of developing an e-Booking Service, so applicants can book an appropriate slot and track their appointments online easily, safely, and securely.</p> <p>Medium</p>	<p>Bereavement Services Manager 30 September 2023 To be followed up in December 2023 March 2024 June 2024</p>	<p>We were advised by the Bereavement Services Manager that this action is Currently still progressing this with IT to move to vendor hosting, DPIA approvals were gained at the end of November and testing will commence shortly. With a view that the process should be completed and implemented by the end of March 2024. Unfortunately, there have been some delays with this and therefore the HLD is being reviewed this week by TDS. Therefore, a revised date has been set for this action in discussion with management.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
2023-24 Climate Strategy		
<p>1.1 The action plan should be reviewed and, where possible, updated with specific quarterly deadlines.</p> <p>1.2 Quarterly reporting should be completed regularly at the Directors and Officers Groups to ensure a continuous supply of data is available to enable increased reporting to the public dashboard.</p> <p>Medium</p>	<p>Climate Change & Sustainability Director July 2024</p>	<p>We were advised the following: From 2024-25 onwards the Climate Change Team is moving to an internal live version of the Climate Action Plan, where updates are captured on an ongoing basis through the year.</p> <p>The future governance of the Officer and Director groups is being reviewed to ensure how effective data updates can best be captured alongside escalation of risk and appropriate mitigation. The public dashboard will only be updated annually following the annual report that is taken to Cabinet.</p>
<p>A process should be put in place to gather feedback on the projects and confirm the carbon emissions achieved for each of these. This should be gathered and reported as part of the quarterly updates to Director and Officer Groups, and Cabinet annual reporting process.</p> <p>Medium</p>	<p>Climate Change & Sustainability Director December 2023 July 2024</p>	<p>We were advised that the process has commenced as part of projects funded via the Climate Capital Fund and will be included, where possible, in quarterly and annual updates.</p>
2022-23 No Recourse to Public Funds		
<p>1.1 The Council should Investigate fully the reasons why officers do not complete case reviews on time.</p> <p>1.2 Additional controls, such as enhanced strategic oversight and increased monitoring and reporting of reviews, should be introduced to ensure timely completion of case reviews.</p> <p>1.3 A resourced plan should be put in place to address the backlog of overdue reviews and to ensure that sufficient resources are available to complete future reviews on time.</p> <p>High</p>	<p>NRPF Management Team 3 July 2023 31 August 2023 3 November 2023 To be followed up in June 2024</p>	<p>The Community Support Team manager advised us that these actions are in progress:</p> <p>1.1 - Staff changes meant some cases were not completed on time. These vary between staff leaving the council, staff sickness and induction of new staff. The team are implementing that line managers discuss reviews status with their cohort at each supervision.</p> <p>1.2 - The project officer will review the team's Master Case List to ensure better recording which can give increased oversight on a monthly basis. The NRPF team are starting service development to streamline reporting primarily from Mosaic, which kicked off on 16 August 2023.</p> <p>1.3 - As above, the team will be meeting the Divisional Business Manager to look at service development for streamlining the service. We are awaiting evidence to support implementation of these recommendations.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>2.1 Regular performance monitoring and reporting should be reintroduced, to report the following information:</p> <ol style="list-style-type: none"> 1. Number of NRPF cases. 2. Number of households. 3. Types of Support 4. Length of Support 5. Analysis of trends / comparisons to previous data periods 6. Outstanding / overdue reviews <p>2.2 Additional officers should be trained on how to monitor and report performance information to provide resilience in case the Community Support Manager is absent for an extended period.</p> <p>Medium</p>	<p>Community Support Team Manager</p> <p>3 July 2023 31 August 2023 6 November 2023 To be followed up in April 2024 To be followed up in June 2024</p>	<p>The Community Support Team manager advised us that these actions are in progress:</p> <p>2.1 - Per the updates provided for actions 1.2 & 1.3, this action is in progress and commenced on 16 August 2023.</p> <p>2.2 - The NRPF team will be reviewed performance in manager's meetings, with an action plan meeting to be held week beginning 6 November 2023.</p> <p>We are awaiting evidence to support implementation of these recommendations.</p>
<p>3.1. A monthly quality control process should be introduced to test a sample of decisions to ensure officers save supporting documentation and the corrects checks have been completed.</p> <p>3.2. Officers should be reminded of the importance of evidencing the decisions they make to confirm compliance with procedures and legislation.</p> <p>Medium</p>	<p>NRPF Management Team</p> <p>3 July 2023 October 2023 November 2023 To be followed up in April 2024 To be followed up in June 2024</p>	<p>The Community Support Team manager advised us that these actions are in progress:</p> <p>3.1 - The team have started case monitoring reviewing cases over 5 years old. Managers are to implement quality control as from October 2023 by reviewing a sample of referrals from July to September.</p> <p>3.2 - Case checklist will be implemented - will review checklist for implementation from November 2023.</p> <p>We are awaiting evidence to support implementation of these recommendations.</p>
2022-23 Markets		
<p>1.1 The Council should review the Markets policy and outline the delegated authority level to remove temporary and permanent licences.</p> <p>1.2 Guidance should be created detailing the documentation to be provided by permanent, temporary traders and operators. This should be published on the Council's website and referred to internally by the Markets Team when conducting documentation checks.</p> <p>Medium</p>	<p>Markets and Street Trading Manager</p> <p>Autumn 2023 January 2024 June 2024</p>	<p>Update is not due yet, the following were the previous updates we were advised.</p> <p>1.1 Any changes agreed will be taken to licensing Committee in June 2024 after consultation with traders.</p> <p>1.2 The online booking and applications for temp traders and private operators has been implemented. The traders are now booking their weekly / daily pitches and paying through FGL.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>2.1 When the annual renewal process is undertaken for the upcoming financial year, a review of all ongoing traders' files should be undertaken to ensure that all supporting documentation has been provided and it is current. If any missing documents are identified, these should be requested prior to the permit being renewed. A confirmation of the review should be provided to the Markets and Street Trading Manager. The renewed licence should be subsequently uploaded on the FGL system.</p> <p>2.2 During the annual renewal process, if insufficient documents are provided by traders, the trader account should be changed from 'live' to 'not live' to achieve consistency in record keeping.</p> <p>Medium</p>	<p>Markets and Street Trading Manager Autumn 2023 April 2024 Awaiting evidence</p>	<p>We were advised of the following update that the Online permit application now online as well as renewals. All 2024 licences renewed online. However, we are awaiting evidence.</p>
<p>3.1 The debt recovery procedure document should be updated to include the requirement of attaching all correspondence with the trader on the SAP system, to ensure the Corporate Income & Debt Management Team have adequate information to pursue debts.</p> <p>3.2 The Markets Team should request an update from the Corporate Income & Debt Management Team on a quarterly basis and record this on the list of traders, to ensure that debtors are not missed, and debt recovery actions are initiated.</p> <p>3.3 The Commercial and Administrative Officer should request SAP access to download electronic reports of debtor accounts. If this is not feasible, then these reports should be requested from the Environment & Leisure Finance Team on a monthly basis.</p> <p>Medium</p>	<p>Markets and Street Trading Manager Autumn 2023 April 2024 Awaiting evidence</p>	<p>We were advised of the following updates: The FGL system has had teething problem. Ongoing discussions to resolve issues and hoping this will be resolved by the end of May. However, we are awaiting evidence.</p>
2022-23 - Parking Management and Estates Parking Permits		
<p>1.1 Establish a clear governance framework for parking services, with clear responsibility and accountability for all key financial and operational tasks, including reporting lines for the following:</p> <ul style="list-style-type: none"> • Issuing and administering permit applications • Call centre operations relating to parking. • School crossing patrol officers • Dealing with the early stages of representations and appeals and related correspondence 	<p>Estate Parking Portfolio Holder December 2023 March 2024 Awaiting evidence</p>	<p>We were advised that the recommendation has been implemented however, we are awaiting evidence.</p> <p>The following are the previous updates from January 2024:</p> <ul style="list-style-type: none"> • The contact centre has an action plan in place regarding the issuing/administration of parking applications. • Agreed action plan for implementation and compliance following meeting with parking team and finance. • Schedules of parking fees and charges have been checked and

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<ul style="list-style-type: none"> Debt management and the associated follow up of untraceable vehicles. Updating and checking the annual schedules of parking fees and charges, price increases and variations, coming into effect ahead of each financial year once approved by Cabinet. <p>1.2 Develop a clear and comprehensive organisational structure chart and ensure this is maintained.</p> <p>High</p>	<p>.</p>	<p>will be implemented following cabinet approval.</p> <ul style="list-style-type: none"> To be implemented - discussion held to discuss the effectiveness of the current arrangement. The Council are exploring the viability of merging street and estate parking services under one service to address the blurred lines in the organizational structure. Further discussions are planned.
<p>3.1 Introduce checklists for staff for each parking permit type to guide the completion of appropriate validation checks including the collection, scanning, and indexing of appropriate proof prior to issuing the estates parking permits, ensuring that all proof supplied must be in the same name and address as the permit application.</p> <p>3.2 Introduce quality monitoring control procedures to confirm the validation of the estates parking permits granted to ensure all proof supplied is complete and in the same name and address as the permit application. We recommend that this is undertaken on a sample basis across the range of permit types, monthly. Any high error rates should be discussed, and actions agreed to improve this in future.</p> <p>3.3 Develop a policy and procedure on giving refunds.</p> <p>3.4 The quality monitoring control procedures should include checking for any duplicate permit applications occurring to ensure these are corrected monthly.</p> <p>3.5 Obtain a list of staff with Dash system access. Review staff system access to ensure the access permissions are appropriate in accordance with roles and responsibilities.</p> <p>High</p>	<p>Sean Conway/ Ade Aderemi</p> <p>September 2023</p> <p>March 2024</p> <p>August 2024</p>	<p>We were advised of the following updates:</p> <ul style="list-style-type: none"> Local processes have been revised and will be iteratively revised to accommodate any changes to the Estate Parking application. The policy for Estate Parking requires sign off by the service owner. The ability to implement changes is predicated on the implementation of the new Imperial parking solution. The ability of the Contact Centre to triage and process Estate Parking applications effectively is dependent on the availability of adequate resources, as outlined in the audit report. <p>The due date for this action has therefore been revised in discussion with management.</p>
<p>5.1 The nature and make-up of aged, bad, and uncollectable parking debts for the financial years 2019-20, 2020-21, 2021-22 and 2022-23 should be scheduled.</p> <p>Medium</p>	<p>Robert Egueye/Finance Team</p> <p>November 2023</p> <p>March 2024</p> <p>August 2024</p>	<p>We were advised the of the following, that Finance reported some data was received from EN&G for year-end purposes, however, there is still improvements to be made in this area. Ongoing discussion between Finance and ENG for EN&Gs to complete write off reports for anything over 6 years.</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
		The due date for this action has therefore been revised in discussion with management.
Finance Directorate		
2022-23 Insurance		
<p>a) The Risk and Insurance Manager should escalate this again with the IT shared service requesting they provide the necessary documentation to ensure the Council is able to finalise sourcing their cybersecurity insurance. If this is not provided, then this should be raised to the appropriate senior management.</p> <p>Medium</p>	<p>Corporate Risk and Insurance Manager</p> <p>October 22 July 2023 September 2023 January 2024 March 2024 June 2024</p>	<p>We were advised that there is currently no change in the position at this time and will be revisited at the next quarterly review meeting in May 2024. The position will therefore be reviewed again in June 2024, ahead of the next AGSC.</p> <p>The following was the previous update:</p> <p>Part a) - We were advised that the Strategic Director of Finance asked the Chief Digital and Technology Officer to conduct a review of current cyber security provisions in place and provide a report partly to see if the Council could meet the minimum insurer requirements as a starting point. This is an ongoing piece of work with the area still being explored. A cyber liability policy can be expensive with insurers often requiring fairly high deductibles, so the Council also needs to be clear on the benefit of putting one in place if there is a large element of self-insurance. We agreed that the position of this action will be reviewed in 2024 for further updates.</p> <p>A further update was provided in January 2024 that this item is still under review, however the Council is not yet in the position to seek quotes with insurers.</p>
<p>On a six-monthly basis, a formal review of claims received should be undertaken identifying if there has been an increase in types of claims or locations of claims. These should be discussed at management meetings and reported to relevant departments as necessary to identify actions to mitigate the incidence of claims in the future.</p> <p>Medium</p>	<p>Corporate Risk and Insurance Manager</p> <p>December 2022 June 2023 September 2023 December 23 March 2024 June 2024</p>	<p>We were advised that the Council aims to complete the first round of claims review in June after 6 months of the new system / coding claims. Therefore, a revised date has been set for this action in discussion with management.</p>
2022-23 Accounts Payable		
<p>3.1 Quarterly reports are currently run to identify instances of POs being raised retrospectively as well as invoices being paid after</p>	<p>Head of Financial Control and Processing</p>	<p>The Head of Financial Control and Processing advised that: Transactional Finance now will inform all senior managers and senior</p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>more than 30 days. These are shared with Departmental Finance Managers and Business Managers (budget holders). As late payment of invoices (without reasons being provided) is a recurring issue, further escalation of the quarterly reports is required. Exceptions to required practice should be reported to each Directorate Management Team, and a summary presented to the Corporate Management Team. A revised communications strategy from the FC&P Team, as well as a change in the ‘tone from the top’, would help to raise awareness and understanding of the issue and facilitate good practice going forward across all levels of staff.</p> <p>3.2 Repeat offenders in the quarterly reports should be followed up so that root causes can be identified, and support provided as needed.</p> <p>3.3 A reminder should be sent out to officers, particularly towards year-end (which is when officers are most likely to make this mistake), to refrain from making payments that are invoiced at a future date.</p> <p>Medium</p>	<p>30 June 2023 September 2023 February 2024 March 2024 June 2024</p>	<p>finance managers across the Council and provide them with all the information - they can then follow up on these or speak to the repeat offenders under their control. A Year End Purchasing Aged Report will also be provided to the Director of Finance based upon the past years performance in April 2024.</p>
<p>2022-23 Housing Rents</p>		
<p>1.1 The Operations Manager Income (Council Tax) and the Former Tenant Arrears team should carry out a review of all pending former tenant arrears cases to ensure that these are being actioned (i.e., there should be no cases unactioned on the system for over three months, and actions should be reviewed to determine whether they are appropriate).</p> <p>1.3 In addition to the proposed report of aged debt cases, the Operations Manager should design an indicative recovery timetable to provide officers with guidelines (as all cases are unique) and key performance indicators to work towards.</p> <p>1.5 The proposed timetable for write offs should include guidelines on the length of time cases should be left on hold (after the former tenant deceased, for example) before being allocated to an officer, to mitigate the risk that the case is overlooked for an extended period.</p> <p>Medium</p>	<p>1.1 Operations Manager Income (StepByStep) September 2023 January 2024 March 2024</p> <p>1.3 Operations Manager Income (StepByStep) October 2023 February 2024 March 2024</p> <p>1.5 Operations Manager Income (StepByStep) July 2023 December 2023 March 2024</p>	<p>We did not receive a response to our request for an update on 27 March 2024 and a reminder on 24 April and 9 May 2024.</p> <p>We were previously advised the following:</p> <p>The Operations Manager advised that the revised delivery date for these three actions should be updated to March 2024, due to their contingency on action 1.1.</p>





Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
	All to be followed up in June 2024	
<p>2.1 The missing tenancy agreements should be located, or terms and conditions should be re-agreed, signed, and stored electronically.</p> <p>2.2 A review should be completed to confirm that signed agreements are saved on file for other tenants.</p> <p>2.3 Tenancy accounts on Northgate should be created, and payment allocated, before the start of the tenancy. The Council should introduce annual spot checks to ensure that this is the case.</p> <p>Medium</p>	<p>2.1 - Implemented at time of report</p> <p>2.2 and 2.3</p> <p>Resident Services Manager</p> <p>July 2023</p> <p>October 2023</p> <p>To be followed up in June 2024</p>	<p>We did not receive a response to our request for an update on 27 March 2024 and a reminder on 24 April and 9 May 2024.</p> <p>We were previously advised the following:</p> <p>We were advised by the Operations Manager that checks carried out with Rents in August 2023 found several tenancy agreements had not been uploaded to EDMS in a timely manner. This has been brought to the attention of Resident services for the next review in October 2023. We received no response to our request for an update in January 2024, therefore this action will be followed up alongside the above recommendations 1.1 and 1.2, in June 2024.</p>
Housing Directorate		
2022-23 Brenchley Gardens TMO		
<p>The TMO should ensure that all existing properties and newly let properties are subject to an annual gas servicing check which is completed by a Gas Safe registered engineer and the certificate is retained. Further, a central compliance gas servicing log should be created and updated once properties have had a gas service check to ensure that those which are due can be easily identified.</p> <p>High</p>	<p>Estate Manager</p> <p>December 2023</p> <p>31 March 2024</p> <p>September 2024</p>	<p>The TMI advised us of the following:</p> <ul style="list-style-type: none"> • BGMA operations have been in suspension since September 2023. The TMO office has been closed since that time as the organisation had no employed staff to manage / deliver business objectives / responsibilities; considering this BGMA has not progressed recommendations from the BDO audit. • An interim manager has recently been appointed. • The manager will be attending BGMA committee on 18/4/2024. The manager will also be meeting with the chair and TMO manager on 19/4/2024 to discuss / agree a priority work programme which will include the completion of BDO audit recommendations.
<p>The TMO should ensure that budget monitoring reports are produced each month, including the use of reserve and surplus fund, and should be shared at the monthly Management Committee meetings and ensure that all discussions including approval of the annual budget and reasons for variations are adequately documented.</p> <p>High</p>	<p>Estate Manager</p> <p>November 2023</p> <p>31 March 2024</p> <p>September 2024</p>	<p><i>See manager comments above.</i></p>

Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>The TMO should ensure that all works order and invoices are raised approved and retained in an organised manner to ensure the procurement process is in line with the Councils requirements and MMA between the TMO and the Council.</p> <p>The TMO should also review the systems for maintaining records relating to the procurement activity and consider automating the process where possible.</p> <p>High</p>	<p>Estate Manager/Housing Assistant December 2023 31 March 2024 September 2024</p>	<p><i>See manager comments above.</i></p>
<p>The TMO should implement a central repairs log which lists all repairs across the properties at Brenchley Gardens. The log should include the results of any quality checks completed and if any follow up action was identified.</p> <p>A works order should be raised for all repairs which is authorised in line with the MMA between the Council and the TMO and linked to the procurement of the works if not under an ongoing contract.</p> <p>High</p>	<p>Estate Manager/Housing Assistant January 2024 31 March 2024 September 2024</p>	<p><i>See manager comments above.</i></p>
<p>The TMO should ensure that a tenancy agreement between the Council and the tenant, nomination letter, reasons for placement and identification checks are completed prior to the award of the property to an individual. These checks should all be retained on the individuals personal file should the Council require evidence of their completion.</p> <p>High</p>	<p>Estate Manager/Housing Assistant June/July 2023 30 November 2023 31 March 2024 September 2024</p>	<p><i>See manager comments above.</i></p>
<p>The TMO should ensure that all pre-employment checks are completed prior to the appointment of a new started and should ensure that all documentation is securely retained in the individual's personnel file.</p> <p>High</p>	<p>HR Provider - City Interim/ Estate Manager June 2023 30 November 2023 31 March 2024 September 2024</p>	<p><i>See manager comments above.</i></p>
<p>The Estate Manager should review the control account statement monthly to identify properties which are currently in arrears. Those which have been identified should have a formal letter sent to their address advising them of the arrears and a paid it needs to</p>	<p>Estate Manager/ Accountant Arrears Management - July 2023 30 November 2023</p>	<p><i>See manager comments above.</i></p>




Recommendation and Priority Level	Manager Responsible & Due Date	Latest Implementation Status
<p>be paid by. Where payment cannot be made, an action plan should be produced to reduce the arrears.</p> <p>Further, properties currently in arrears should be report to the Management Committee to ensure adequate oversight and scrutiny of action plans in place for these properties.</p> <p>High</p>	<p>31 March 2024 September 2024 New System - Jan 2024 31 March 2024 September 2024</p>	
<p>The TMO should ensure that the monthly Management Committee meetings are formally documented to show discussions. The minutes should include any actions identified and the timeframe for implementation, along with evidence of discussion on key areas of the TMO.</p> <p>Medium</p>	<p>BGMA Chair/ Secretary May 2023 30 November 2023 31 March 2024 September 2024</p>	<p><i>See manager comments above.</i></p>
2023-2024 TMO - Haddonhall		
<p>The TMO should ensure that all works order invoices are approved to ensure the procurement process is in line with the TMOs financial procedure that sets out the appropriate authorisers and financial delegations.</p> <p>Medium</p>	<p>Estate Manager, Treasurer and Vice Treasurer Ongoing</p>	<p>The Estate Manager advised us the following: The TMO has accepted & implemented recommendation to comply with TMO policy. A Quarter 4 monitoring visit (end of April / May 2024). The TMI Officer will gather evidence of compliance, invoices for last 3 goods & service requisitions.</p>
<p>3.1 All HR policies and procedures should be reviewed and subject to Management Committee approval on an annual basis, to ensure that all specified content remains accurate and up to date.</p> <p>3.2 A performance management or competency framework should be implemented to support the staff in measuring their performance, recognising, and rewarding high performance, supporting staff development, and identifying and addressing under performance.</p> <p>Medium</p>	<p>Estate Manager and Chair 31 March 2024 September 2024</p>	<p>The Estate Manager advised us the following: TMO feedback, "Policy currently in draft. To be presented to the management committee for discussion and approval at their next meeting in May 2024". TMO handbook should include terms & conditions of employment including the performance management framework. The review of all policies & procedures is an on-going project and is a standing item agenda at TMO management committee meetings. A review of all risk & services policies for HR, performance management will undertake.</p>
<p>Declarations of interests should be completed, signed, and dated by all Committee Members at the earliest opportunity and retained by the TMO.</p> <p>Medium</p>	<p>Estate Manager and Secretary June 2024</p>	<p>The Estate Manager advised us the following: This is still outstanding. With the TMO to provide still provide signed copied of declarations of interests for all committee members.</p>

APPENDIX 1

OPINION SIGNIFICANCE DEFINITION

LEVEL OF ASSURANCE	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION	FINDINGS FROM REVIEW
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally, a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non-compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non-compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE DEFINITION

RECOMMENDATION SIGNIFICANCE	
High 	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium 	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low 	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

FOR MORE INFORMATION:

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