**SUMMARY OF RECOMMENDATIONS AND MANAGEMENT RESPONSES FROM INTERNAL AUDIT REPORTS
ISSUED QUARTER 4, 2012/13**

Report Reference	Recommendation	Risk Rating[1]	Responsible Officer	Management Response and Target Implementation Date
Human Resources Management – 28 March 2013				
The purpose of the audit examination was to report a level of assurance on the adequacy on high level structures and processes in place to support effective people management. An evidential evaluation was undertaken focusing on the mitigation measures and controls against the key risk of staff not being developed effectively as assessed in the Significant Business Risk Register. The measures are defined as: § Workforce Development Strategy § Management Development Programme § Succession Planning § Prioritisation of Work § Use of External Resources The examination was a mainly 'desktop' high-level overview drawing on accessible corporate information resources, supplemented by brief consultations with a selection of senior managers and officers from both within and outside Human Resources. Within the scope of the review, the findings produced a picture of a generally robust high level framework to facilitate effective management of people risks and address and in particular the significant business risk relating to staff development.				

[1] Risk Ratings are defined as follows:

Low   -   Minimal adverse impact on achievement of the Authority's objectives if not adequately addressed.
Medium -   Moderate adverse impact on achievement of the Authority's objectives if not adequately addressed.
High   -   Requires urgent attention with major adverse impact on achievement of Authority's objectives if not adequately addressed.

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Car Parking Income – 27 March 2013				
4.4.1	The fees for residents and visitors permits should be approved each year in line with other parking fees.	Low	Parking Services Manager	This is a function of Warwickshire County Council and is not within the Districts remit to action. The Fees and Charges for WDC car parks are agreed each year by the Executive during the October's fees and charges setting process. March 2013.
4.5.5	Regular reviews should be performed of cases that are shown as being at DVLA related stages of recovery. The specific sampled cases should also be followed up to ensure that the cases have progressed since the time of the audit testing.	Low	Parking Services Manager	The issue raised was as a result of a clerical error by a new team member. The process has been reviewed to ensure that only trained staff are permitted to deal with this task and the Notice Processing Manager will review the queue stage each week to ensure no mistakes have been made. March 2013.
Collection of Council Tax – 8 February 2013				
The examination was undertaken using the CIPFA systems-based control evaluation models following a cyclical approach designed to cover all the model's relevant sub-systems over a 3-year period. On this occasion the examination concentrated on the billing and collection/refund sub-systems as follows: • Procedures and Regulations • Information Security and Compliance • Billing • Collection and Refunds. The review confirmed the council tax functions to be highly robust.				

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Collection of National Non-Domestic Rates – 7 February 2013				
Billing, Collection & Refunds were examined. The objectives that were considered as part of this audit include: • Bills issued are accurate and contain appropriate details. • Bills are only amended when there is a valid reason to do so. • The council pays the correct amount to the national NDR pool. • Income is collected appropriately and is credited against the correct account. • Refunds are paid to the correct ratepayer and only when there is a valid reason to do so. • The council is aware of the collection rate and takes appropriate steps to ensure that all income due is received. • Appropriate recovery action is taken by the council. • Bailiffs are used appropriately. • Debts are only written off once all reasonable recovery measures have been taken. Following the review, we are able to give a substantial degree of assurance that the systems and controls in place for the collection of national non-domestic rates, with regards to the billing, collection & refunds and recovery & enforcement aspects, are appropriate and are operating effectively. Whilst the occasional document could not be located during the course of the audit and a couple of documents did not include signatures as expected, the isolated nature of the incidents and supporting controls in place led Internal Audit to conclude that no recommendations were necessary.				

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Administration of Housing & Council Tax Benefit – 1 March 2013				
The audit approach was a departure from the usual annual audit of housing and council tax benefits based on the CIPFA risk-based matrices. In consultation with the Head of Finance and the Benefits and Fraud Manager, the audit approach was modified to focus on the Council's preparations for the forthcoming welfare reform changes. The purpose of the audit was to report a level of assurance on the adequacy of controls in place to implement in an effective and timely manner the said changes while ensuring proper continuity of existing benefit administration services. The approach has combined an evaluation of applicable project governance arrangements with some provision of consultancy on detailed work to be undertaken to institute the specific changes due from April 2013. At the time of the report some of the consultancy element has been taken up (data analytics to help verify accommodation bedroom numbers loaded into the system in preparation for 'under-occupancy' changes). This report, however, focuses on observations arising from examination of the project management arrangements. The review has come at a time when the new interim Council Tax Support Scheme and other reforms scheduled for April 2013 are nearing implementation and a project to deal with the wider welfare reforms is at its inception stage. Preparations for the April 2013 implementations were seen as well in hand. For the wider welfare reform project, governance arrangements appropriate to its impact and complexity have yet to be clearly defined. This in itself has to qualify the overall level of assurance that can be given. In the light of the above, we are only able to give moderate overall assurance that adequate controls are in place and that the applicable risks are managed effectively. It is not considered appropriate to make specific recommendations here as it is expected that actions to establish project governance based on PRINCE2 will automatically follow and a further review is anticipated in due course.				
Sundry Debtors – 5 March 2013				
4.1.2	The corporate Debt Recovery Policy should be reviewed, updated and publicised to all relevant staff.	Medium	Finance Administration Manager	Update to be drafted for Executive. July 2013.

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4.2.4	Staff who raise debts should be reminded of the need to include sufficient levels of detail on the invoices, including the date of service provision where possible, and to ensure that they raise the invoices in a timely manner.	Low	Finance Administration Manager	Agreed. Guidance is already available to users on TOTAL and the intranet to advise users of the need to provide sufficient details on the invoices and they have been reminded of this requirement on several occasions in the past 4 years. However, this guidance will be re-publicised. Ongoing.
4.3.3 & 4.6.2	Staff should be reminded to provide appropriate details to support the cancellation or write-offs of the invoices, including appropriate evidence of who had provided the approval / submitted the request for this to be undertaken.	Low	Finance Administration Manager	Agreed. Supporting documentation with authorisation is normally provided. However, the majority of cases sampled, where these issues have occurred, relate to recent transactions during a period of time where there were staff shortages, related to the reorganisation within Finance. A potential increase in the lower threshold at which departmental authorisation is required for write-offs is to be discussed with relevant senior Finance staff and, should this amendment be agreed, relevant departmental staff will be informed. Ongoing.

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4.7.3	Whilst no formal debt collection targets are set, reports should be provided to management regarding debt collection performance so that they can assure themselves that processes in place are appropriate and that they are aware of any potential issues arising.	Low	Finance Administration Manager	The reports are already available to management who can run them as and when they require. It is intended that regular monthly reports will be run to capture recovery performance to provoke discussion at 1-1s and team meetings and, where necessary, prompt service changes. July 2013.
Employee Absence Management – 28 March 2013				
3.3.5(1)	The Intranet information resource on absence management should be revised and repositioned to make it more prominent and coherent (including cross-referencing to the Stress at Work Code of Practice).	Medium	Human Resources and Organisational Development Manager	Reviewed policy and associated paperwork to make it clearer and easy to access. Publicise this on intranet and through management communications. April 2013 – completed.
3.3.5(2)	The Sickness Absence Policy should be revised to make it more in line with the aims of the People Strategy (including 'wellbeing' emphasis).	Low	Human Resources and Organisational Development Manager (Lead Officer) Corporate Management Team Senior Management Team	Cross reference with People Strategy. April 2013 – completed.

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3.4.4	A statement setting out the respective responsibilities of employees, management and Human Resources in managing absence should be prepared and referenced from the Sickness Absence Policy. Preferably, the statement should be approved by Senior Management Team.	Medium	Human Resources and Organisational Development Manager	Insert into the policy. April 2013.
3.5.7(1)	Service Area Managers should review the identities of staff with absence return entry rights and ensure that only the minimum necessary to ensure that all absences are recorded have access.	Medium	Service Area Managers Lead Officer: Human Resources and Organisational Development Manager	HR advise Service managers. HR liaise with ICT on ensuring access rights have HR check before granting. April 2013.
3.5.7(2)	Service Area Managers should ensure that all staff designated to complete the weekly absence returns on their behalf are appropriately briefed on the responsibilities and procedures.	Low	Service Area Managers Lead Officer: Human Resources and Organisational Development Manager	HR to advise Service managers of the importance of this. April 2013 – completed.
3.5.12(1)	Outstanding self-certifications and fit notes should be followed up and raised, where appropriate, with the respective Service Area Managers.	Medium	Human Resources and Organisational Development Manager	HR to remind services of their responsibility. April 2013 – completed.

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3.5.12(2)	Responsibilities of line managers and support resources available to them should be clearly presented in training workshops on absence management.	Medium	Human Resources and Organisational Development Manager	Scheduled HR workshops on absence annually continue. HR already include manager responsibility but workshop content will be reviewed. April 2013 – completed.
3.5.12(3)	Promotion of absence management requirements through other communication channels (e.g. Core Brief, Senior Officers' Forum) should be considered.	Low	Human Resources and Organisational Development Manager	To be considered with HoS. July 2013.
Mortgages – 1 February 2013				
4.3.4	A decision needs to be reached as to how these overpayments are dealt with (either being repaid or being used to calculate amended terms and interest payments in future if this is allowed for under the terms and conditions of the mortgages). (NB precedent may have been set as a previous overpayment on one of these accounts had been used to reduce the principal outstanding following the previous audit report).	Medium	Senior Finance Administration Officer	Bearing in mind the size of the mortgages, the limited number (5), and the limited time until their redemption, it is intended that the credit balances will be addressed as part of the final redemption calculations. All mortgages to be redeemed by the end of 2014.

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4.3.7	Action should be taken as appropriate upon receipt of the response from the Head of Housing & Property Services.	Low	Senior Finance Administration Officer	Agreed. The mortgage will be redeemed, with a small write-off following authorisation from the Head of Housing & Property Services. March 2013.
4.4.4	The mortgagee who arranges her own buildings insurance should be contacted to obtain evidence that this insurance is in place.	Low	Senior Finance Administration Officer	A reminder is always put in the annual statement for the mortgagee to send in a copy of the policy. April 2013.

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Corporate Properties Repair and Maintenance – 26 March 2013				
4.7.11	Stricter control needs to be exercised over the Corporate Property Repair and Maintenance budget in order to avoid future overspends of the level encountered this year.	Medium	Head of Housing and Property Services	A revised repairs and maintenance budget has been agreed which is based on historical spend data which more accurately reflects the typical expenditure for this budget. Completed 01/01/13. A clear definition is to be agreed by the Corporate Property Investment Board (CPIB) of what works can be carried out using this budget. Works outside of this definition will require alternative sources of funding to be sought. 28/06/13. A stock condition survey is being conducted of all corporate assets. This will provide an informed 5 year maintenance plan that accurately forecasts expenditure liabilities that can be programmed in advance. 31/03/14.

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Royal Pump Rooms (including Art Gallery) – 12 March 2013				
The purpose of the audit examination was to report a level of assurance on the effectiveness of operational, financial and management controls for the Royal Pump Rooms in accordance with relevant legislative/regulatory and internal policy/strategic considerations. An evidential risk-based evaluation was undertaken focusing on the following areas: • Strategy/Improvement Plans • Role and Responsibilities • Policies and Procedures (including evaluation against the standard audit programme for outlying establishments) • Quality Assurance • Information Assurance. Although coverage was essentially aimed at objectives and risks in respect of the whole Royal Pump Rooms premises as a whole, review of operational and financial areas focused on the Art Gallery and Museum (operations concerning of the Café and Visitor Information Centre are covered under separate assignments). Resulting from the examination, we are able to give substantial assurance that robust structures and processes in place to secure achievement of applicable corporate and service aims and objectives and the effective management of risks.				
CCTV Services – 21 March 2013				
4.1.7	Service Level Agreements should be drawn up for those services where they do not currently exist, with existing ones being reviewed and revised appropriately to bring them up to date.	Low	CCTV Manager	Agreed. The SLA for Regent's Court is currently in hand, with a response being awaited from them. April 2013. The SLA for Housing will be reviewed once the updated system is complete. June 2013. The remaining SLAs will be drawn up / reviewed as soon as possible. April 2013.

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Food Safety – 28 March 2013				

The audit was undertaken in order to establish and test the management and financial controls in place over the provision of the Food Safety service.

The audit was carried out using an audit programme designed to identify the controls expected to be in place and the possible risks arising from the absence of those controls.

The control objectives examined were as follows:

a) Policies and procedures are in place to ensure that the FS service is delivered in accordance with current legislation and codes of practice.

b) A comprehensive database exists that identifies all premises, people and activities that are subject to FS legislation.

c) A method of risk assessment is employed in order to formulate an inspection programme and the frequency of visits and there is a clear programme of work.

d) Enforcement is exercised through inspections and monitoring and there is a consistence approach which is based on FS legislation.

e) There are arrangements in place to assess the competency of officers and to maintain that competency at current, professional standards.

f) Requests for service (RFS) are recorded and responded to.

g) Appropriate action is taken on receipt of a report of an incident concerning FS.

h) Compliance with FS legislation within the council's workplaces is monitored.

i) Achievement against performance/improvement objectives and targets is monitored effectively with the reporting of relevant, accurate and timely performance measures being undertaken.

j) Adequate control and security arrangements are in place to preserve the confidentiality, reliability and availability of systems and data.

k) Appropriate financial and budgetary control procedures and reporting measures are in place.

l) All risks associated with the service have been identified, recorded and assigned.

In overall terms, the audit concluded that there are sound procedures and controls in place for the management of the Food Safety function. It was evident that the team currently operates in a virtually paperless environment and that measures are in place to implement digitisation that will eventually automate routine processes and increase efficiency.

The audit can therefore give a substantial level of assurance that the systems and procedures in place are appropriate and working effectively.