

**SUMMARY OF RECOMMENDATIONS AND MANAGEMENT RESPONSES FROM INTERNAL AUDIT REPORTS
ISSUED QUARTER 2, 2016/17**

Report Reference	Recommendation	Risk Rating ¹	Responsible Officer	Management Response and Target Implementation Date
Medium Term Financial Strategy – 29 September 2016				
4.3.2	<p>The political, economic, social and technological environment should be surveyed routinely for their impact on the MTFS.</p> <p>The results should be categorised as Certain, Probable or Possible with the first two categories assessed for their financial impact on the MTFS.</p> <p>The frequency of updating to the MTFS should be monthly to align with the revenue budget monitoring arrangements.</p>	Low	Strategic Finance Manager	<p>The MTFS is a living document, fed from many sources, including the Significant Business Risk Register, where the consideration of such aspects is considered. Following such consideration, if there are any issues that need to be included within the MTFS with reasonable certainty, these are duly factored in. To create a new process/routine is not necessary.</p> <p>MTFS updated regularly on an on-going basis. MTFS is reported periodically as part of Budget Monitoring arrangements, notably when significant changes have been newly included.</p> <p>Not applicable.</p>

¹ Risk Ratings are defined as follows:

- High: Issue of significant importance requiring urgent attention.
- Medium: Issue of moderate importance requiring prompt attention.
- Low: Issue of minor importance requiring attention.

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4.4.2	The MTFS should be prepared such that it groups recurring developments, limited growth, savings and items funded from reserves by service area by year.	Low	Strategic Finance Manager	This will only be practicable for the MTFS presented as part of the February Budget report and Budget Book due to the MTFS being a living document with all changes forming part of the full audit trail. February 2017.
4.4.4	A reconciliation of the 2017/18 to 2020/21 revenue savings/additional income per the FFF change programme report should be made with the MTFS for the same period and the MTFS updated accordingly.	Medium	Strategic Finance Manager	MTSF is a living document. It has been updated to include the Summer 2016 Executive update, and is also informed from other supplementary sources of information. Done.
Financial Planning and Budgetary Control – 25 August 2016				
4.6.2	The Senior Management Team should identify staff requiring budgetary control training, taking account of future staff changes, so that the control environment for budgetary monitoring and control is maintained.	Medium	Principal Accountant (Systems)	Training of Budget Managers will be mentioned quarterly in reports to SMT. Refresher training for existing managers and training for new budget holders will be offered periodically. March 2017.
4.7.3	Consideration should be given to amending the limits set within the Code of Financial Practice in relation to housing capital improvement and renewal. Suggested limits are £500,000 in any one year, and £150,000 for each request per scheme, subject to the appropriate funding being in place.	Medium	Strategic Finance Manager	This will be considered within the next review of the Code of Financial Practice. March 2017.

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Main Accounting System – 19 September 2016				
4.6.2	Consideration should be given to obtaining a pre-list of draft monthly payroll by employee revenue cost centre for checking potential general ledger cost centre coding errors.	Medium	Principal Accountant (Systems)	We have started doing this as a trial, with the electronic payroll file. In the past, incorrect codes normally defaulted to payroll suspense. These numbers are now very small. Ongoing – formalise by end of Dec 2016.
4.6.2	Consideration should be given to providing cost centre amendments to the Coventry City Council payroll team each month before the final payroll is run in order to reduce the need for payroll miscode journals.	Medium	Principal Accountant (Systems)	Now we have started to review, in detail, the electronic payroll file, this has reduced errors significantly. Finance now regularly alerts HR about any coding errors to ensure that they are not repeated in the future. Ongoing – formalise by end of Dec 2016.
4.7.2	The income suspense account code B357 should be reconciled immediately and, thereafter, quarterly.	Low	Principal Accountant (Capital)	This account is primarily a “dump” code for FST to return debtors payments to the ledger that they do not consider theirs. Treasury are usually informed by FST to transfer the payment to another account e.g. rents or Council Tax and this account is therefore outside of Treasury’s control and is not capable of being reconciled to any control figure. Any balance on this account at year end will be written off to revenue. March 2017.

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Housing Repairs and Maintenance – 26 September 2016				
4.2.4	The housing repair procedure notes should be transferred from the previous intranet system to the current intranet Housing page.	Low	Housing Repairs Manager	Agreed. This has been completed. 22/9/16.
4.10.3	Refresh the business process to ensure that all rechargeable works are invoiced to the tenant on a timely basis.	Low	Housing Repairs Manager	Agreed. A new process has been implemented. 22/9/16.
Business Applications - MIS Housing and Corporate Property – 10 August 2016				
No recommendations were required.				
Food Safety – 3 August 2016				
4.3.7	The system should be updated to remove the duplicate entry and the temporary event stall.	Low	Food & Safety Team Leader.	The system has been updated accordingly.
Council House Sales – 30 August 2016				
4.2.4	Procedure notes should be updated to reflect current practices and staffing.	Low	Business Administration Manager	Agreed. There is an intention to reduce the dependency on spreadsheets, so this will be undertaken once the new processes are established. End of October 2016.
4.3.3	Regular communication (e.g. quarterly) should take place with Legal Services regarding the status of open cases.	Low	Business Administration Manager	Agreed. This will be set up. With immediate effect.

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4.3.5	Staff should be reminded to check that all relevant detail is included on the application forms received.	Low	Business Administration Manager	Agreed. Staff will be reminded. With immediate effect.
4.3.8	Clarification should be sought on the process for taking inherited tenancies into account when calculating discounts.	Low	Business Administration Manager	Agreed. Clarification will be sought. With immediate effect.
Asbestos Management – 1 September 2016				
4.2.3	The Asbestos Management Plan should be tailored to ensure that all officer posts specified use the actual established post titles, and should be signed off by the holders of those posts.	Medium	Head of Housing and Property Services	The Asbestos Management Plan will be updated and amended to implement the recommendation, with officers and managers advised accordingly so that they are made clearly aware of their role and responsibilities. October 2016.
4.2.3	An 'Appointed Person' as defined by the HSE should be designated and the post of which the appointee is holder specified in the Asbestos Management Plan.	Medium	Head of Housing and Property Services.	H&PS will therefore work with the Council's Health and Safety Co-ordinator to determine the most appropriate post and for that post-holder to be given the information and understanding they will need to fulfil that role. December 2016.
4.2.7	Records of all asbestos awareness training going back a suitable period should be compiled and continually maintained with all future training logged.	Low	Asset Manager	This recommendation will be progressed. A training register for Housing & Property Services is now in use and has been populated with the most recent training records. September 2016.

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4.2.11	The approach to promoting asbestos awareness among stakeholders (including tenants) should be clarified and consideration given to a joined-up approach between Housing and Property Services and Health and Community Protection.	Low	Asset Manager/ Repairs Manager	H&PS is introducing a different approach to engagement with its clients (including tenants) that is more personal and takes advantage of e-communications. This process has taken some time to introduce and focus has been on moving the previous printed newsletter and Tenant Panel to this wider, more varied approach. The dissemination of asbestos awareness will now be given enhanced status within engagement work (for example inclusion in Tenant Welcome Packs). December 2016.
4.4.4	Performance monitoring and reporting arrangements should be implemented in accordance with the terms of the contracts.	Medium	Repairs Manager	Contract management in the early stages of the contract has focused on developing our working and operational relationships with the contractors and the role of Asbestos Contract Co-ordinator, a new role. Now that the relationship and the role are better established, more focus can and will be given to contract performance management. December 2016.

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Bereavement Services – 29 September 2016				
4.3.7	Responsibility for the payment of water charges needs to be established and if necessary remedial action should be taken.	Medium	Head of Neighbourhood Services / Energy Manager	All aspects of the budgets for water rates and metered water charges at the cemeteries will be investigated by the Housing and Property Services Energy Team and if necessary, appropriate action will be taken. December 2016.
4.3.8	The petty cash imprest should be returned to Riverside House and paid in.	Low	Bereavement Services Manager	Purchase order 93228 has been raised to cater for receipts; this, together with the cash balance, will be repaid through the Fsteam. By end September 2016.
4.3.12	The Code of Procurement Practice should be complied with and either tenders invited or an exemption sought.	Medium	Bereavement Services Manager	Initial discussions with Procurement Manager will take place in Sept – exact timescales will depend upon advice given. If an exemption is appropriate it may be possible to sign this off within a few weeks, however if a full tender is required, being prudent and allowing time to write the spec and test the market it should be possible to have a contract in place by the end of the financial year. Possibly end of financial year. To be confirmed following meetings with procurement.
4.3.13	The errors on the web page should be corrected.	Low	Bereavement Services Manager	Complete: http://www.warwickdc.gov.uk/info/20639/deaths/429/cemeteries

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4.3.14	Efforts should be made to raise invoices at the beginning of each month.	Medium	Bereavement Services Manager	The Crematorium Administration System is due for replacement and it is anticipated that it will interact with TOTAL which will enable an increased frequency of invoicing. For now, reminder tasks have been set in the relevant officers' diaries to start the process for raising invoices on the first working day of each month. Performance will be measured. Complete.
4.4.2	A current priced inventory should be compiled and a copy forwarded to the council's Insurance and Risk Officer.	Medium	Bereavement Services Manager	This recommendation is accepted. Due to the age of some items it may not be possible to get an exact cost. In those cases a best estimate will be indicated. December 2016.