

**SUMMARY OF RECOMMENDATIONS AND MANAGEMENT RESPONSES FROM INTERNAL AUDIT REPORTS
ISSUED QUARTER 2, 2011/12**

Report Reference	Recommendation	Risk Rating ¹	Responsible Officer	Management Response and Target Implementation Date
Corporate Training – 15 November 2011				
<p>The audit comprised a high level review of the control framework in place (comprising strategies and policies; roles and responsibilities; processes and procedures) for achieving relevant corporate strategic objectives and maintaining Investors in People accreditation.</p> <p>The examination concluded that a robust framework is in place giving substantial assurance that corporate training is effectively managed to support corporate priorities and continuously improve while balancing needs against available resources. Consequently no recommendations resulted from the audit.</p>				
Electoral Registration: Follow Up Review – 26 September 2011				
<p>A brief follow-up to the previous year's audit was performed to assess controls arising from the implementation of a new computer system. The recommendations made at the time of the previous audit were also followed up to ensure that actions had been implemented as agreed. The audit concentrated on segregation of duties within the maintenance of the Register and control over the electronic distribution of the electoral register.</p> <p>Relevant controls were found to be in place with the new system, although some steps that were expected to have taken place had either not yet been implemented or were no longer as relevant as previously thought. No specific recommendations were raised as part of this report, although those that had previously been made were still relevant where they had not yet been implemented.</p>				

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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Benefit Fraud Investigation – 25 August 2011				
4.1.4	Refresher 'referrals' training should be provided to all Benefits assessment staff to ensure that they are aware of which cases should be referred to the Benefit Fraud Team for investigation.	Medium	Benefit & Fraud Manager & Benefit Fraud Investigator	As mentioned in the report the Benefit & Fraud Manager has arranged for some training with DWP and we are awaiting the date for this. The Benefit Fraud Investigator is to arrange refresher training for assessment staff. December 2011.
4.2.3	Consideration should be given to the use of a separate Workflow queue to highlight these cases so that they are flagged for the Benefit Fraud Team's attention.	Low	Benefit & Fraud Manager	We will not be putting this into place. Most of the returned post is received after we know that the customer has left. The returned post is scanned to the urgent queue that is cleared on a daily basis and if the claim is still live it is more important that the case is cancelled to prevent further payments being made. Staff are aware of the need to refer these cases to fraud once payments have been stopped.
4.3.1	Guidance should be produced to advise Benefits assessment staff of the types of cases that they should, or should not, be referring to the Benefit Fraud Team.	Low	Benefit & Fraud Manager	Guidance will be produced regarding the referrals and will form the basis of the refresher training. December 2011.
4.3.3	A summary report should be produced for Benefits assessment staff on a regular basis highlighting any emerging themes from cases referred to the Benefit Fraud Team.	Low	Benefit Fraud Investigator	The Benefit Fraud Investigator is to produce a monthly summary of fraud outcomes. October 2011.

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4.5.3	The Benefit Fraud Strategy and associated Code of Conduct documents should be updated to reflect current arrangements.	Low	Benefit & Fraud Manager	These documents are currently under review. December 2011.
4.5.7	Investigation files should be indexed and documentation contained within the files should be referenced to provide a clear trail to the reader of the file.	Low	Benefit Fraud Investigator	The files do contain a record sheet that details all actions and information obtained. Documents are not indexed and we will ensure that this is done. September 2011.
4.5.8	All documentation should be clearly dated to ensure that the timeliness of investigations can be ascertained.	Low	Benefit Fraud Investigator	As above. September 2011.
4.6.2	A report should be prepared for the Benefits & Fraud Manager to enable her to review cases investigated by the Benefit Fraud Investigator that have not led to a sanction being recommended.	Low	Benefit Fraud Investigator	The Benefit & Fraud Manager is now reviewing all cases that have been investigated, regardless of outcome. A specific report is not, therefore, considered necessary.
4.6.3	All files should be signed off by the Benefit Fraud Investigator or another relevant senior officer to confirm that the case has been reviewed and it can be formally closed.	Medium	Benefits & Fraud Manager	As above, as part of the review process, the Benefits & Fraud Manager is now signing off all files. Immediate.

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4.7.4	Details of previous conviction enquiries should be recorded on the working papers for each case to ensure that the authorising officers have sufficient evidence to enable them to reach an informed conclusion when authorising the appropriate sanctions.	Low	Benefit Fraud Investigator	Agreed. This will be implemented. Immediate.
Information Governance – 14 September 2011				
5.1	Responsibility for the governance of information assets should be clarified and formally assigned to a named officer or group of officers.	Medium	Corporate Management Team	The Draft Report was considered by Senior Management Team on 17 th August 2011. The item was minuted as: “SMT considered report from Internal Audit and discussed best way of implementing and making it sustainable going forward. Identify previous work done on this and revisit with view to drawing out key actions for future”.
5.2	Consideration should be given to establishing an ‘Information Management Steering Group’ with a remit to focus on the governance of all information assets.	Low	Corporate Management Team	
5.3	The following action points to address issues and potential areas of risk identified from this audit should be considered by the responsible officer or group of officers as designated:			

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5.3 (cont.)	<ul style="list-style-type: none"> • the corporate risk assessment process, both strategic and operational, should identify and assess all aspects of risk that could compromise the security of information assets. This could be achieved by issuing risk owners within all service areas guidance on how to identify such risks; • the need for an information management strategy should be assessed, with particular reference to the 'Fit for the Future' Programme; • corporate policy should be defined and formally adopted by all service areas in relation to the retention and disposal of information assets. Consideration should be given to integrating all aspects of the information lifecycle, including retention and destruction, into a single document entitled 'Records Management Policy' in line with good practice; and • safety or other desirable outcomes for customers. • protocols should be agreed to facilitate internal information sharing across service areas, especially outside normal business operations where this can be shown to be lawful and in the interest of community. 	Medium	Corporate Management Team	As above.

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Network Security & Administration – 23 September 2011				
3.3.4	The process for updating ICT Services of staff leavers in a timely manner should be reviewed and strengthened if possible, with consideration of any facility for automated notification that might be available from the new Oracle HRMS system.	Low	HR Manager	Agreed. Once the migration the HRMS system has been completed, the process for notifying ICT Services of starters / leavers will be reviewed. February 2012.
3.4.2	The environmental conditions within the network installation room at the Pump Rooms premises should be reviewed based on a formal threat/risk assessment of the area. Ideally the room should only house IT and network communications equipment with the water source and storage of general items relocated to a different area.	Low	Infrastructure Manager / Heritage & Arts Manager	Agreed. ICT Services has made an initial assessment and removed all unnecessary ICT Equipment. ICT have contacted the Pump Rooms Building Supervisor who has escalated the issue regarding the water tank. February 2012.
General Fund Capital Programme – 16 September 2011				
Despite a downgrading in recent years in the controls over capital expenditure e.g. the deletion of the Capital Strategy and the disbandment of the Capital Evaluation and Monitoring Group, an audit of the systems and procedures in place to manage the council's General Fund Capital Programme (GFCP) was able to conclude that there are sound controls still in place over the management of the GFCP, making recommendations unnecessary.				

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Leaseholder Service Charges – 30 September 2011				
4.1.5	Concerted efforts should be made to ensure that a new Leaseholder Management System is put in place.	Medium	Senior Technical Administration Officer	STAO to contact other MIS users e.g. Walsall Housing Group to establish how they use the system for Leasehold Management. The names and any correspondence addresses of leaseholders have already been input into MIS. 31 December 2011.
4.2.8	Discussions should be held on a regular basis between Technical Administration staff and Surveyors (and other relevant staff) to ensure that Technical Administration are aware of any major works projects that are forthcoming for which leaseholders need to be recharged.	Medium	Senior Technical Administration Officer	This is now a standing item discussed at the weekly Managers briefing which is attended by the Property Manager, Energy Manager, Building Construction & Surveying Manager, Repairs & Maintenance Manager and the STAO. Weekly and ongoing.
4.4.3	The leaseholder handbook should be updated and reissued as soon as possible.	Medium	Senior Technical Administration Officer	Monthly meetings are held between the STAO & the Chair of LAG where the updating of the handbook has been discussed. The STAO is working with the Chair of LAG to update the handbook and there is a leaseholders questionnaire to be sent out in October that will ask for volunteers to be involved in updating the handbook. 31 December 2011.

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Newbold Comyn Leisure Centre – 30 September 2011				
An audit of cash control and security procedures was able to give a substantial level of assurance that the systems and procedures in place are appropriate and working effectively. Consequently, no recommendations were necessary.				
Building Control – 19 July 2011				
An audit to review the controls in place over the recording and processing of Building Regulations applications in respect of Fee setting, Collecting and accounting for fees; and Recording and processing of applications concluded that the Building Control Service is well managed and that applications are processed by experienced staff using an established system. Consequently, no recommendations were necessary.				
Licensing – 31 August 2011				
4.2.1	Documentation should be drawn up that formally delegates powers to the Licensing Services Manager.	Medium	Licensing Services Manager, Head of Community Protection and Senior Committee Services Officer	Agreed to draw up documents formally delegating powers to the Licensing Services Manager. End of current financial year (April 2012).

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4.4.5	DMC and Reception staff should be reminded of the correct codes for each type of payment received.	Low	Licensing Services Manager, Head of Community Protection and Senior Committee Services Officer	<p>Response from the Licensing Services Manager:</p> <p>Every time that a charge changes and when a mistake is found, I email both DMC and the staff on Reception giving the new amount and code. I sit down with the DMC Team Leader from time to time and go over the cost codings and the amounts due. Licensing have recently trained the Reception staff on all matters of licensing and stressed the importance of correct coding amongst other things. If we do not see the document which is incorrectly coded until the day after it is received neither DMC nor the Reception staff can amend the code and we must then pass it to Income for recoding. I feel it would be difficult to either remind the staff at DMC or on Reception any more often or with any greater emphasis than both myself or the team do all ready.</p>
4.4.5	Licensing staff should check the coding on receipts to ensure that the payments have been coded correctly.	Low	Licensing Services Manager	<p>I feel that Licensing is perhaps unfairly taking the blame for the poor processes and carelessness of other departments. These services are provided at no inconsiderable cost to Licensing and for us to have to check their work is a poor reflection upon them rather that upon the Licensing team.</p>

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4.4.7	Rateable values should be checked each year to ensure that the correct annual premises license fees are being paid.	Low	Licensing Services Manager	The non-domestic rateable values are changed on a 4 yearly cycle. The Licensing Services Manager spent a considerable amount of time when they were changed last, at the request of income, checking ALL of our licences were showing the correct payment band. I feel, personally, that the time taken to check these annually could not be justified by the officer time involved.
4.4.7	Errors identified (by Internal Audit) with respect to premises license fees paid should be followed up, with the correct fee being charged based on the current rateable value of the properties.	Low	Licensing Services Manager	Agreed. As soon as the identified errors are passed to the Licensing Services Manager, they will be changed in the licensing records and Income will be notified if any changes to the annual fee are due. Immediate (Complete).
Legal Services – 23 September 2011				
4.8.11	The WDC Client Manager and appropriate staff in Finance should meet with management from the shared services team to consider the problems with the billing system and agree the future format of the information required by WDC.	High	Deputy Chief Executive (AJ)	Meetings have taken place and the Client Manager and Finance are happy with the remedial action the County has taken. Information is now in a much friendlier format.