

Public Document Pack



Agenda Supplement

Dear Councillor

AUDIT AND SCRUTINY COMMITTEE - WEDNESDAY, 17TH OCTOBER, 2018

I am now able to enclose, for consideration on Wednesday, 17th October, 2018 meeting of the Audit and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

Agenda No	Item
------------------	-------------

- | | |
|----|---|
| 4. | <u>Internal Audit Progress Report 2018/19</u> (Pages 3 - 20) |
|----|---|

Appendix B

Yours sincerely



Chief Executive

Encs

10/10/18



**BRENTWOOD BOROUGH COUNCIL
INTERNAL AUDIT FOLLOW UP REPORT**

Presented to the Audit and Scrutiny Committee 17 October 2018

CONTENTS

	Page
Summary of Recommendations Status	3
Current Status of Recommendations In Progress	5
Current Status of Recommendations Overdue	16

Summary of Recommendations Status

We have followed up on the status of those High (H) and Medium (M) recommendations due for implementation by 30 September 2018.

The position as at 8 October 2018 is summarised in the table below.

	Total H & M Recs	Complete		In Progress		Overdue		Superseded		Not Due		% H & M Recs Due and Completed
		H	M	H	M	H	M	H	M	H	M	
18/19. Commercial Activities (advisory)	-	-	-	-	-	-	-	-	-	-	-	n/a
18/19. Planning	-	-	-	-	-	-	-	-	-	-	-	n/a
18/19. Building Control	-	-	-	-	-	-	-	-	-	-	-	n/a
17/18. Minimum Reserve Levels	1	-	1	-	-	-	-	-	-	-	-	100%
17/18. Community Halls Viability	5	1	-	1	3	-	-	-	-	-	-	20%
17/18. Housing	8	-	1	2	5	-	-	-	-	-	-	13%
17/18. Insurance	3	-	1	-	2	-	-	-	-	-	-	33%
17.18. Financial Planning & Budget monitoring	2	-	2	-	-	-	-	-	-	-	-	100%
17/18. Partnerships	7	-	1	-	6	-	-	-	-	-	-	14%
17/18. Environment	4	-	3	-	-	-	-	-	-	-	1	75%
17/18. Housing Benefit Shared Service	2	-	1	-	1	-	-	-	-	-	-	50%
17/18. Capital Projects	-	-	-	-	-	-	-	-	-	-	-	n/a
17/18. Main Financial Systems	9	-	-	2	7	-	-	-	-	-	-	0%
17/18. Risk Management and Governance	3	-	-	-	-	-	-	-	-	1	2	0%
17/18. Customer Service	4	-	-	-	4	-	-	-	-	-	-	0%
17/18. Information Security Assessment (advisory)	10	-	10	-	-	-	-	-	-	-	-	100%
17/18. Car Parks and Payment Collection	7	4	3	-	-	-	-	-	-	-	-	100%
17/18. Taxi Driver Licensing	2	-	2	-	-	-	-	-	-	-	-	100%
16/17. Local Development Plan	4	-	3	-	-	-	1	-	-	-	-	75%
16/17. Contract Management & Procurement	9	3	6	-	-	-	-	-	-	-	-	100%
	80	8	34	5	28	-	1	-	-	1	3	55%

BDO Recommendations

At the start of the internal audit year for 2018/19, there were 80 high and medium recommendations to be completed. No further high and medium recommendations have been raised for the three audits completed.

Of the total 80 recommendations, we have confirmed with reference to evidence that 42 have been completed, 4 are not yet due.

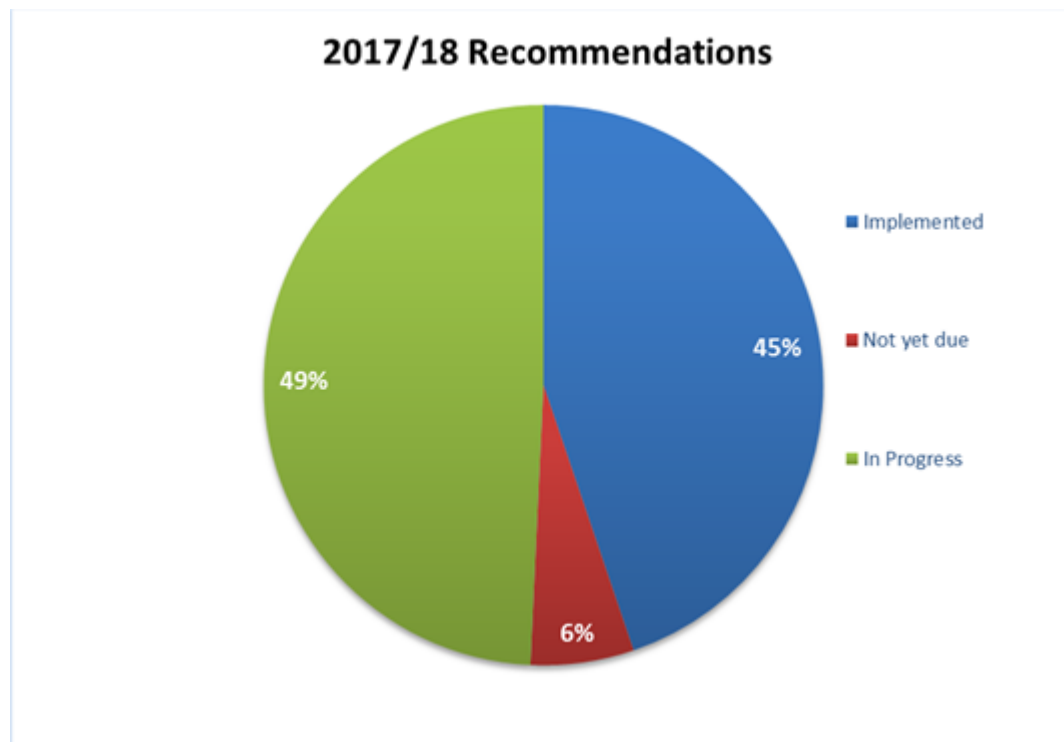
2017/18 Recommendations

Of the 67 recommendations raised in 2017/18, there are 27 recommendations that are in progress.

2016/17 Recommendations

There remains one recommendation not completed that relates to the audit of the Local Development Plan.

Recommendations not completed will be followed up again ahead of the next Audit and Scrutiny Committee, along with other recommendations due by 31 December 2018.



Those recommendations been marked as 'overdue' have previously revised their implementation date. Therefore, they have now missed at least two implementation dates. Those recommendations in progress have been followed up for the first time for this Audit and Scrutiny Committee.

Where recommendations are in progress or overdue, more information on the current status is provided in the pages that follow. This includes those recommendations where management has advised us that the recommendation has been implemented but evidence has yet to be received to enable internal audit to confirm this.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2017/18 - Community Halls Viability				
<p>a) The Council should introduce the requirement that BLT supply monthly financial performance reports, with supporting evidence, which need to be reviewed by the responsible accountant and any variances or potential issues investigated. Dependent on the option selected the Council should ensure financial performance of the halls contract is monitored on a regular basis.</p> <p>b) As part of the current arrangements, or for the future monitoring of the halls, the Council should ensure that, as a minimum, an annual condition survey is undertaken to ensure the continual upkeep of the properties.</p> <p>c) The Council need to establish the financial position of BLT and whether they would be able to pay for the internal repairs if the halls stay under BLT management or if they are returned to the Council.</p>	High	Kim Anderson	October 2017 Evidence to be reviewed	<p>There has been progress in the financial position there is a work in progress to agree a timeline and finding the best use of each Community Hall.</p> <p>The leases and management agreements have been extended. Requested BLT to prioritise their schedule of repairs and provide a revised price as they felt the prices quoted by the Council's valuer were excessive.</p> <p>The Project Accountant undertook a review of the financial data in 2017. Going forward the Council has agreed with the Trust that the Management Fee will no longer be payable.</p>
<p>A project plan covering the community halls should be developed covering all the steps required to enable a comprehensive report to be produced for members to make their decision on the future management of the community halls. The plan should include nominated officers and set time lines for completion.</p> <p>The plan should include the options to be considered, what information is required to support options, i.e. due diligence exercise on finances and contracts currently in place, and the risks to the Council in delays, not doing anything and any mitigating actions already in place.</p>	Medium	Kim Anderson	October 2017 To be followed up again in January 2019	<p>The financial position of the Trust and the Community Halls is better understood.</p> <p>A Preliminary Market Engagement Exercise has been launched (September) to identify if there is any 3rd party interest. Subject to any interest and Member agreement (a report will be going to 20 November PPR Committee) then a formal Invitation to Tender exercise will be launched in January 2019.</p>
<p>As part of the project plan the Council should include implementation plans clearly outlining the steps required and target dates. This needs to be monitored on a regular basis by the project lead and reported to the appropriate committees and management.</p>	Medium	Kim Anderson	November 2017 To be followed up again in January 2019	As per above.
<p>The Council needs to complete and seek approval through the decision making route for the Leisure Strategy which</p>	Medium	Kim Anderson	March 2018 Evidence to be	Draft Leisure Service Strategy was agreed at PP&R Committee on 12 March 2018 and is awaiting approval

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
should include, once all information has been obtained, a clear plan for the future use and management of the Community Halls.			reviewed	from the next Ordinary Council meeting.
2017/18 - Housing				
<p>a) Introduce robust information and records management in accordance with ICO guidance, including development of a records management policy covering retention, security, destruction, and data protection.</p> <p>b) Identify the Housing records to be maintained, and retention periods, and review arrangements for their storage and retrieval - consider use of the Housing DMS or a Corporate alternative supporting customer relationship management. (Refer to Retention Guidelines for Local Authorities and policies adopted by other Local Authorities)</p> <p>c) Provide training and generally raise staff awareness of the Data Protection Act and the General Data Protection Regulations. In particular ensure staff do not record opinions, and that records contain appropriate information.</p> <p>d) It may also be appropriate to conduct a more detailed review of the Council's compliance with the DPA and preparedness for GDPR</p>	High	Stuart Morris & Nicola Marsh	August 2018 Evidence to be reviewed	<p>a) Data protection policies have been developed at Corporate Level in conjunction with Housing Services. Retention, redaction and GDPR compliancy contained within those policies.</p> <p>Housing Services is continuing to develop systems alongside the Intellectual Governance Group and as supported by Thurrock Council Data Protection Team.</p> <p>b) In conjunction with the above, the Orchard IT Housing system has been reviewed and practices developed to ensure a more robust documenting system.</p> <p>c) Staff have received internal written guidance, including 1-2-1s where necessary. Formal training is due to be rolled out from October 2018 with a new training system being currently piloted.</p> <p>d) A corporate review of compliancy is being conducted through the Intellectual Governance Group of which Housing Services is a part.</p>
2017/18 - Partnerships				
<p>a) Council officers or elected members should use the 'Partnership Checklist' and the 'Partnership Self Assessment Tool' as referred to in the new Partnership Policy and Procedures as a tool to assess the viability of a partnership, prior to joining a partnership</p> <p>b) The Council's Partnership Leads for all existing partnerships should use both the 'Partnership Checklist' and the 'Partnership Self Assessment Tool' to review the viability of existing partnerships.</p>	Medium	Kim Anderson	March 2018 Evidence to be reviewed	<p>An action plan has been devised for all recommendations and a new documentation compiled for assessing existing and new partnerships and managers.</p> <p>The Self Assessment tool was circulated to managers to complete (email sent 19 July and followed up 1 August). When all responses have been completed, the results from the Self Assessment tool feedback will inform any further actions on particular partnerships that will need to be undertaken by the partnership lead for that partnership.</p>
The approval status should be verified for all existing partnerships recorded in the Partnership Register. Where	Medium	Kim Anderson	March 2018 To be followed	As per previous.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
approval was not obtained, the 'Partnership Checklist' and 'Partnership Self Assessment Tool' should be completed and submitted for retrospective approval from the Head of Service or relevant Committee as appropriate			up again in January 2019	
The leads for the Council's existing partnerships should conduct a review of their partnerships using the Self Assessment Tool within the Council's new proposed framework, to ensure governance arrangements are clearly defined, and review whether partnership objectives are being met. Where the Council considers that partnership objectives are not being met, the Council should re-consider whether to remain in that partnership.	Medium	Kim Anderson	March 2018 To be followed up again in January 2019	As per previous.
Lead officers should use the Partnership Self Assessment Tool to review and assist the effectiveness of current partnership arrangements. They should then make a recommendation as to whether to continue to support engagement in the partnership, improve the partnership working arrangements, or whether to disengage from it, as per the Partnership Policy and Procedures 2017.	Medium	Kim Anderson	March 2018 To be followed up again in January 2019	As per previous.
a) When partnerships are set up, Council officers or partnership leads should be clear what their specific role and responsibilities are within the partnership, as well as understanding the roles and responsibilities of the other partners. The Council's Partnership Checklist should be used to support this process b) Roles and responsibilities should be clarified for existing partnerships and included within updated terms of reference.	Medium	Kim Anderson	March 2018 To be followed up again in January 2019	As per previous.
a) The Council should ensure that there is a formal process in place to monitor the Revenues and Benefits Shared Service performance, and that both the process is documented and the outcomes of monitoring, for example taking minutes in meetings and recording action points b) Where Performance Indicators are not achieved, action plans should be put in place in all cases, with actions allocated to specific Council	Medium	Kim Anderson	March 2018 To be followed up again in January 2019	As per previous.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
officers/teams, and a deadline for the action to be completed. Action plans should then be regularly reviewed (monthly) to ensure that actions are being implemented in order to improve performance.				
2017/18 - Customer Services				
Customer Access Strategy to be updated and the Service Improvement Programme developed incorporating the Councils Channel Shift actions. The relevant decision maker should approve these. Progress against the Service Improvement Programme should be reported to senior management on a regular basis using the Corporate Project register process.	Medium	Chief Operating Officer	September 2018 November 2018	The Customer Access Strategy is due to be reviewed and reported to the 20th November 2018 to PP&R Committee.
Reviews should be carried out with all departments to identify service requirements and needs and where channel shift will improve stakeholders' interaction with the Council and generate efficiencies. Once completed, priority action plans should be agreed with Heads of Departments and feed in to the overall strategy and Channel Shift Plan. The Council should introduce a Business Case summary for each project which should be approved by an appropriate board or panel before a project commences to ensure it ties in with the Council's Customer Services Strategy. The Business Case should include: - A brief discussion of the project - Project outcomes (including potential savings in finances and resources) - Planned project start date - Planned project completion date - The stakeholders identified and the role they will play in the project - Financial implications - Resource requirements This will ensure a formal trial for all projects from the start and evidence stakeholder engagement.	Medium	Chief Operating Officer	September 2018 December 2018	This has been integrated into the Service Improvement Programme.
The Council should be using the statistical information compiled of the customer contacts to help identify where channel shift could be productive for stakeholders and produce efficiencies for the Council. The Digital Team should identify services from the	Medium	Chief Operating Officer	September 2018 December 2018	This has been integrated into the Service Improvement Programme.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
statistics and work with the service to identify areas which could be improved for stakeholders and devise an action plan to identify potential new channels or how to improve current ones and build this in to the Council's channel shift plan.				
As part of department reviews the Service improvement Team should identify all external partners and stakeholders to ensure all parties are included in drawing up of the Service Improvement Programme to help either introduce new technology and establish the possible impact on all parties or development of current channels to assist in improving interaction with the Council.	Medium	Chief Operating Officer	September 2018 December 2018	This has been integrated into the Service Improvement Programme.
2017/18 - Housing				
<p>a) Develop an Estate Management Strategy and procedure</p> <p>b) Determine Estate Management inspection protocols and carry out inspections accordingly</p> <p>c) Train Housing staff to conduct estate management inspections</p> <p>d) Prepare checklists to support Housing staff conducting inspections (including for first day of tenancy (such as ensuring a working fire alarm) and for ongoing checks</p> <p>e) Consider use of technology to improve recording of issues identified, sharing data as appropriate, and monitoring of resolution</p> <p>f) Develop reporting arrangements for other Council staff already working in the Borough to report estates issues</p>	High	Stuart Morris & Nicola Marsh	April 2018 Evidence to be reviewed and followed up again in January 2019	<p>a) The Strategy has been completed and formally adopted by Committee with supporting procedures now in place.</p> <p>b) and c) Housing currently have a temporary inspection regime which is on an 8 week rota. All Estates Officers are capable of completing these and score sheets are used to prompt areas to highlight. Digital recording services are being looked at by Management with a view to implement these in the longer run.</p> <p>d) Completed</p> <p>e) Ongoing</p> <p>f) Partnership working with Sheltered Housing Team who work directly with the Estates Management Team. Caretakers feed in directly to the Estates Management Team. Wider reporting under development.</p>
<p>a) A working protocol is agreed between the Housing Team and the Asset team to enable an approach reflecting the needs of both teams, and providing clarity on the impact of actions by teams on other areas of Council operations</p> <p>b) Determine the rules of Council land and property assets are to be allocated between the HRA and the General Fund</p> <p>c) Review all Council land and property assets to ensure they are allocated in accordance with (b)</p>	Medium	Stuart Morris & Nicola Marsh	September 2018 To be followed up again in January 2019	The Housing Department has now entered into a managed service with Basildon Borough Council. Basildon staff are based at Brentwood to manage the service. We currently utilise Keystone to manage all asset data and this is maintained by Basildon staff. Currently all Asbestos information is being uploaded along with any stock condition survey data from the 2016 SCS by Pennington's. A Safety first planned maintenance programme is underway in the 5 tower blocks owned by the Council.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p>d) Review options for maintenance of Asset related records, to determine feasibility of implementing a combined system, or links between systems to enable efficient update of records</p> <p>e) Build resilience by ensuring the Assets system records are capable of being accessed by more than one member of staff. If access issues relate to the system no longer being supported or incompatible with current Council technology, an alternative system should be sought (in line with (d)).</p> <p>f) If records continue to be maintained separately, ensure there is a regular check between the Assets team records and the Housing system</p> <p>g) Until the Council has assurance over the accuracy of records of Right to Buy properties, additional cross checks are made from the Finance records of Right to Buy income or property purchases to the Housing asset records on the Orchard system</p>				Ongoing Complete property surveys are due to be introduced in June 2019 as part of the new Repairs and Maintenance Contract.
<p>a) Define parameters and protocols for cyclical and responsive repairs and replacement, and implement a programmes and inspection regime reflecting these protocols</p> <p>b) Develop system reports to reflect defined protocols</p> <p>c) Ensure remaining Stock Condition Survey information is received and uploaded, and reports produced as defined in (a)</p> <p>d) Agree timetable with contractors to resolve issues relating to links between the Council and Contractor systems to ensure the Council has current information on works completed</p> <p>e) Develop processes for monitoring against protocols for cyclical and responsive repairs</p>	Medium	Stuart Morris & Nicola Marsh	September 2018 To be followed up again in January 2019	As above
<p>a) Review the corporate ASB strategy to ensure it remains appropriate and up to date, and provides clarity for staff on the protocols for managing ASBs including addressing the source issues such as through Housing Estates Management.</p> <p>b) Link the ASB strategy on the Council's website to the Community Safety and Housing team pages</p>	Medium	Stuart Morris & Nicola Marsh	September 2018 To be followed up again in January 2019	We have been advised that this is managed by Tracey Lilley's corporate enforcement team on behalf of Housing. We will follow up ahead of the next Audit and Scrutiny Committee.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
c) Consider use of a system (such as the Uniform system) for the recording of ASBs, and develop linking of ASB and Housing system data to enable reporting on tenancy issues and ASBs to facilitate improved management of the source of issues.				
Automate the process of uploading All Pay payments to the cash receipting system.	Medium	Stuart Morris & Nicola Marsh	September 2018 To be followed up again in March 2019	This project is yet to start.
a) Housing staff are informed that accounts in credit are a potential indicator of fraud b) Periodic checks are made on credit accounts by Housing staff, giving consideration to fraud risks c) The process for transferring credits is reviewed to identify options for efficiency through automation and streamlining	Medium	Stuart Morris & Nicola Marsh	April 2018 To be followed up again in January 2019	Estates Management receive reports highlighting accounts in credit. Due to a reduced number of staff this has not been looked at in depth for around 12 months. This will become part of an officers monthly jobs once we are back to full capacity staff in January 2019. Processes are already in place to refund/transfer/raise fraud referrals. One case has been reported to fraud already and we await information back.
2017/18 - Insurance				
A) There should be a distinction in ClaimControl between the date of the incident; the date actually reported to the Council; and the date the Risk and Insurance team receive the claim. B) The Council should log calls received relating to the making of an insurance claim. C) Compliance with anti-fraud checklists should be added to ClaimControl for public liability claims and there should be regular reviews of claims to check that the fraud checklists have been completed.	Medium	Sue White	April 2018 Evidence to be reviewed	a) The date reported to the Council is recorded on ClaimControl which is felt sufficient. b) Any calls received regarding a potential insurance claim are redirect to the Insurance Officer either direct on the telephone or logged on the Call Centre system. These are then logged onto a spreadsheet by the Insurance Officer. c) The Council has spoken to Zurich and the fraud & detection policy is aimed at Council's that have high deductables and deal with large volumes of claims in-house. Nearly all claims are forwarded onto Zurich, including some below our excess, and they have a far better fraud detection system in place. However, any concerns regarding a claim would be raised with Zurich at the time of notification. Only 3 claims have been dealt with in-house this year and all the necessary evidence was gathered before payment was made.

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p>A) If a claim is made against a staff member while they are on holiday, the Risk and Insurance Officer should ensure that the insurer is made aware of the anticipated date of return of the employee as soon as possible. Individual departments should provide as much information as possible to the Risk and Insurance Officer as soon as reasonably possible.</p> <p>B) The Risk and Insurance Officer should investigate whether ClaimControl could produce an alert if a settlement letter or final correspondence has not been uploaded to the system after a given period of time (to be decided by the Risk and Insurance Officer).</p> <p>C) All departments should keep clear records of incidents occurring within their teams and store this on a shared drive so that it is accessible in the event of a staff member's absence.</p>	Medium	Sue White	April 2018 Evidence to be reviewed	<p>The two exceptions identified in the audit were resolved, no residual issues remaining.</p> <p>Zurich do not provide settlement letters for our own property claims as the invoice(s) is/are checked against the estimate(s) and Accounts Receivable confirm when the amount is paid.</p> <p>Email alerts are received from Zurich when a claim is updated on their website, these are then cross referenced with ClaimControl & documents from the ZM website can be downloaded from there.</p> <p>Incidents are recorded on an incident report form which is then emailed to various officers in the Council.</p>
2017/18 - Housing Benefit Shared Service				
Resolve arrangements for completing the reconciliation of Housing Benefit payments to the ledger, and ensure this reconciliation is completed on a monthly basis	Medium	Jacqueline Van Mellaerts & Samantha Stanley	February 2018 December 2018	The reconciliations are completed at year-end by Brentwood Council. Aiming to handover over this reconciliation to Basildon Council. Until an official handover is complete, Brentwood will ensure the reconciliation is completed monthly.
2017/18 - Main Financial Systems				
<p>The Council needs to ensure that all new starters and leavers are added to or removed from Payroll on a timely basis. A report of starters and leavers should be run monthly, reviewed and confirmed it is correct by the appropriate level of management.</p> <p>The Council should ensure that an agreement is in place with the new provider, whereby they agree to provide the required reports requested by the Council by set dates.</p> <p>The Council needs to ensure the payroll provider is meeting its contractual responsibilities and hold monthly meetings to ensure any operational issues are captured as part of contract monitoring.</p> <p>The Council should instigate performance monitoring and KPI's as part of any contract with outsourced financial services providers. This should</p>	High	Jacqueline Van Mellaerts	June 2018	This will be followed up as part of the 2018/19 audit of Main Financial Systems

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
include clear targets being set and evidence of the provider's procedures to show the controls in place which could be monitored. Confirmation should be sought over access controls to the contractors systems to ensure Council data is protected and only accessed by authorised officers.				
<p>a) The Council should ensure that they agree and record a procedure with Basildon Council for Council Tax and NNDR refunds.</p> <p>This should include:</p> <p>i) That two separate officers should raise, review and authorise all refunds.</p> <p>ii) Agreed authorisation levels for refunds. This should include a limit where 'high value' refunds should be referred to Brentwood Council for authorising.</p> <p>iii) A monthly report of all Council Tax and NNDR Refunds should be sent to Brentwood Council, which should be reviewed and approved.</p> <p>Once agreed, Basildon Council should ensure all relevant officers are aware of the requirements for a refund to be processed.</p> <p>b) Brentwood Council should review a sample of refunds each month to ensure the process is being adhered to.</p>	High	Jacqueline Van Mellaerts & Samantha Stanley	June 2018 Evidence to be reviewed	<p>a) We have been assured by management that this recommendation was implemented in June 2018.</p> <p>b) This is in progress - Basildon Council will provide a sample of refunds to Brentwood Council - to be completed by October 2018</p> <p>This will be followed up in more detail as part of the 2018/19 audit of Main Financial Systems.</p>
<p>a) Basildon council should implement an overarching procedure for management and monitoring of the suspense account outlining the responsibilities of both Brentwood Council and Basildon Council.</p> <p>The procedure should include:</p> <p>The reason for requesting to transfer the sum.</p> <p>Evidence is retained to support the request.</p> <p>Transactions from suspense should be authorised by a manager.</p> <p>Monthly reconciliation of the suspense accounts with aged analysis.</p> <p>b) Details of historical suspense entries should be reported to Brentwood Council on a minimum of an annual basis as part of the end of year closedown process so a decision can be</p>	Medium	Phoebe Barnes	June 2018	This will be followed up as part of the 2018/19 audit of Main Financial Systems

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
taken on how to action these.				
<p>The Council should ensure that reconciliations are prepared by the 15th of the following month, and that the Interim Financial Controller reviews the reconciliations by the 22nd of the following month (one week later). The finance team should also implement a process whereby the review of reconciliations are recorded (either by signing the reconciliation or the reconciliation monitor).</p>	Medium	Phoebe Barnes	June 2018	This will be followed up as part of the 2018/19 audit of Main Financial Systems.
<p>The Council should ensure that all applications (especially ones surrounding Empty Rate Relief) are supported by appropriate backing documentation to ensure the reason for the discount or exemption awarded is evidenced.</p> <p>In addition, it should be investigated as to whether Basildon Council's system parameters could be updated to include a section for management review to ensure that all new applications are appropriately authorised by the Business Rates Manager.</p> <p>Brentwood Council should liaise with Basildon Council to confirm if it wishes for visits to be undertaken as another control process to ensure the exemption or discount awarded is still valid.</p>	Medium	Jacqueline Van Mellaerts & Samantha Stanley	June 2018 Evidence to be reviewed	<p>Management has assured us that this recommendation was completed in June 2018. Current procedures have now been reviewed, however not all applications for relief/discounts and exemptions require supporting documentation. Business Rates Manager carries out 10% of all work and 100% check on charity Reliefs. A visit is carried out if appropriate.</p> <p>This will be followed up in more detail as part of the 2018/19 audit of Main Financial Systems</p>
<p>The Council should confirm its process as to whether a Purchase Order should be raised for all purchases of goods/services to ensure the commitment of expenditure is formally authorised. Once confirmed the procedures need to be updated to reflect this position.</p> <p>Once implemented the finance team should not process an invoice payment without an authorised Purchase Order being in place. The invoice should not be approved by the same person who authorises the Purchase Order.</p> <p>The finance Team should run a monthly report to establish if Purchase orders are being raised in advance of the receipt of goods/services and subsequent invoice and report on the level of retrospective raising of Purchase Orders by Services. This could be reported at the Corporate Leadership Board so compliance can be monitored</p>	Medium	Jacqueline Vam Mellaerts	June 2018	This will be followed up as part of the 2018/19 audit of Main Financial Systems

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
by Senior Management.				
<p>The Council should ensure that all Procurement Card holders are aware of the Procurement Card Policy, and are reminded of what is deemed to be acceptable when making purchases. When reviewing monthly procurement card transactions, line managers should also be aware of the policy and raise with officers any inappropriate purchases, or purchases which are not in line with the Council's policy. Finance Team should undertake a 10% transaction test to ensure purchases are appropriate and authorised correctly.</p>	Medium	Phoebe Barnes	June 2018	This will be followed up as part of the 2018/19 audit of Main Financial Systems
<p>Brentwood Council should request that Basildon Council complete reconciliations within seven days of the VOA schedule date for Brentwood domestic and commercial properties. This should be monitored by the Council and action taken if there are delays.</p> <p>Reconciliations should be clearly signed and dated by the officer completing the reconciliation, as well as the manager approving the reconciliation</p> <p>The Council should ensure all supporting documentation for the reconciliations are retained.</p>	Medium	Jacqueline Van Mellaerts & Samantha Stanley	June 2018 Evidence to be reviewed	<p>Management has assured us that this recommendation was implemented in June 2018.</p> <p>This will be followed up in more detail as part of the 2018/19 audit of Main Financial Systems.</p>
<p>The Council's procedures on billing regulations should state the target number of days to assess whether timeliness has been met. Best practice would be 10 working days. Reasons should be recorded as to why the target is not met and monitored.</p> <p>The Business Rates Manager should ensure that there is a system in place (such as a spreadsheet) to monitor outstanding new properties without billing addresses, and ensure that these are followed up and the system is updated.</p> <p>If the Systems and Controls Officer is awaiting information for billing then the reasons for the delays should be recorded on the system or within the spreadsheet.</p>	Medium	Phoebe Barnes & Samantha Stanley	June 2018	<p>This is in progress. Procedures are currently being reviewed, for completion by November 2018</p> <p>This will be followed up as part of the 2018/19 audit of Main Financial Systems.</p>

Recommendations: Overdue

These recommendations have been marked as overdue as they have previously revised their implementation date. Therefore, they have now missed at least two implementation dates.

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2016/17 - Local Development Plan				
<p>The current Terms of Reference for the LDP Members Working Group should be updated to include details of:</p> <ul style="list-style-type: none"> •The regularity of the meetings •Who is required to attend •Quorum requirements •Standing agenda items 	Medium	Phil Drane	<p>December 2017</p> <p>To be followed up again in December 2018 as part of the internal audit on the LDP in 2018/19</p>	<p>Update provided in June 2018</p> <p>The Council will once again be reviewing the LDP Member Working Group terms of reference, but that the review of the constitution (specifically the Planning part) has been delayed. Therefore, when this part of the constitution is reviewed that these audit recommendations can be taken into account.</p> <p>No further update provided.</p>



FOR MORE INFORMATION:

GREG RUBINS

Partner, Public Sector

greg.rubins@bdo.co.uk

ANGELA MASON-BELL

Manager, Public Sector

angela.mason-bell@bdo.co.uk

This page is intentionally left blank