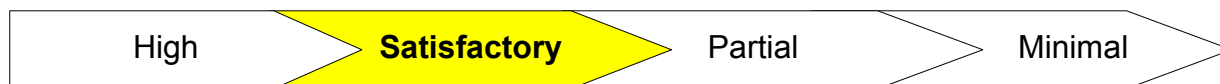


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Place Departmental Project Governance Arrangements

Objective

To assess how robust the Department of Place (DoP) internal management assurance arrangements are for effectively monitoring the progress and successful delivery of its projects.

Summary

There are two service areas in the Department of Place (DoP) whose core role involves project management, i.e.:

- Property and Estate Management team, who deliver the capital programme
- Regeneration and Business Development, who are involved in schemes like Queensway and the Airport Business Park.

The only documented project management guidance within the DoP is that used by the Property, Regeneration and Strategic Projects team (PR&SP team) for delivering capital works projects. It includes a Project Plan document, which sets out the requirement:

- to establish a project board for each capital scheme, which meets monthly
- for:
 - both the project team members and project board's roles and responsibilities to be documented
 - the project board to receive monthly project highlight reports covering delivery progress and spend against budget information.

This is in line with recognised good practice project management. Programme Boards may also be established for larger schemes.

A Departmental Management Team (DMT) Capital Project Board (the DMT Board) has been established to monitor the progress and successful delivery of capital projects. Action is now required to:

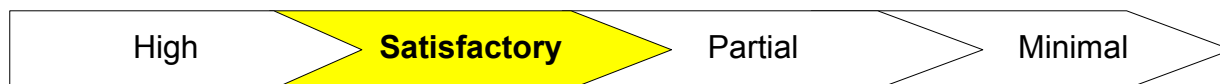
- formalise the terms of reference that sets out its role and remit, responsibilities and accountabilities (including required attendees) as well as information / reporting requirements
- clarify its role in relation to individual programme and project boards, particularly with regard to what it is expecting to see and when.

It is also important that management ensure the quality of the project data / information produced for all board meetings is robust and fit for purpose.

Number of actions agreed: 3

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Child Residential Placements

Objective

To assess whether the panels established to oversee and challenge proposed child residential care placements, are operating effectively to ensure that appropriate placement decisions are made.

Summary

The role, purpose and inter-relationship of the Placement Panel and Acute and Complex Placement Panel, responsible for making child care residential placement decisions is clearly defined and aligned to the wider service and Council objectives. Review of the 2017/18 service plan has identified that it is still in draft and not yet formally reviewed and approved by management.

The panels comprised of those with the relevant expertise and qualifications to make decisions in relation to the appropriate type of care required. These arrangements are going to be strengthened by formally documenting the process for:

- inducting new members onto the panels
- determining when meetings or decisions on a case should be postponed.

Assessment criteria, policy and procedures to be applied to proposed residential care placements are documented, maintained and appropriately pre-approved to ensure cases are assessed consistently. A quality assurance check is to be introduced prior to panel meetings of case papers to ensure they are always in line with the framework and sufficiently detailed to enable an appropriate decision to be made.

Generally, relevant social care staff who are proposing placements attend the panels to present the case so that effective challenge of referrals made. Going forward, Administrative staff will check to identify cases where neither the social worker nor team manager can attend, so a decision can be taken as to whether to defer the case to the next panel meeting.

The rationale for decision making along with appropriate supporting documentation to support decisions made is retained and is in line with the approved framework. There will be standard item at the start of each panel agenda, which requires the accuracy and completeness of the previous meetings minutes to be approved.

Placement decisions made outside the panel meetings are robust and consistent.

Number of actions agreed: 5

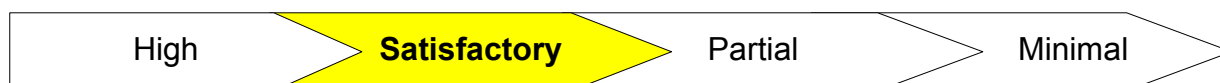
Learning Services, Education Related Performance Indicators

Objective

To assess whether Performance Indicators (PIs), for a sample of education-related activities, are:

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- designed to provide appropriate evidence that service objectives are being delivered
- properly produced and used effectively.

Summary

Indicators reviewed

- Percentage of three and four year old children benefitting from funded early education in good or outstanding settings.
- Percentage of children in good or outstanding schools (Monthly Snapshot).
- Percentage of new Education Health and Care (EHC) plans issued within 20 weeks including exception cases (Cumulative YTD).
- Percentage of total attendance in Primary schools, Secondary schools and Special schools.

Ownership and Use of Performance Indicators (PIs)

All the PIs reviewed flow from the current Learning Services Service Plan or from central government requirements. The Performance Indicators Framework clearly defines what each PI is required for and how it is to be calculated.

All the PIs are owned by a relevant and appropriate officer, who has day-to-day involvement in the service to which the PI relates. The PI owners have a clear understanding of what they tell them and how they can be used to monitor the service offered.

Core Data for Performance Indicators

Most of the core data used by the Data, Performance and Information (DPI) Team to produce these PIs is input either by schools, where they choose to provide it (for pupil attendance) or by the Special Educational Needs Team (for Education Health and Care (EHC) plans).

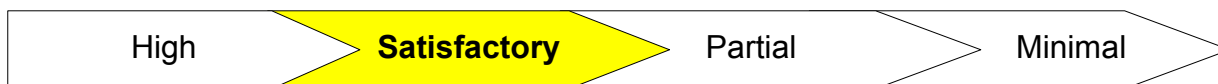
The EHC data is subject to internal departmental checks before its release. The DPI Team undertakes reasonableness and consistency checks on the data received. There needs to be better evidencing of the data validation work undertaken by both teams.

Special Educational Needs Returns (SEN2)

An SEN2 form is submitted annually to the Department for Education (DfE) regarding Special Educational Needs information. The process for producing and validating the data supporting the 2017 return was not robust enough. As a result, a number of errors were identified by the DfE in the information provided.

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The Director of Learning Services has instructed the DPI Team to work with the service to ensure the data provided in 2018 is accurate and complete. A decision will then be made about where this function should sit in the longer term, taking into account the more general work being done to improve data quality within the social care case management IT system (LiquidLogic).

Systems Access

All the data used by and reports produced by the DPI Team are held on the team's network drive folder. Given the nature of this information, user access to this folder needs to be reviewed. Those who no longer need access to this information need to be removed.

Number of actions agreed: 6

Leases and Licences

Objective

To assess whether the Council effectively manages its leases and licences as well as receiving all income due from them.

Summary

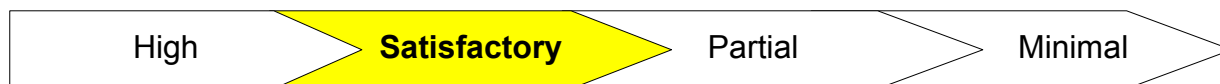
The Corporate Property and Asset Management (CP&AM) team use the I-Dox management system to record and monitor leases, licences and related events (for example, a rent review). The data from lease events is updated on completion and then reconciled periodically as well as at the end of each financial year. However, the data quality could be improved further. This is important as all the key, standing information from the leases and licences is contained within the system and used to inform future reviews and lease events. There are processes in place to ensure that this data quality is continually being improved and there is a dedicated Data Manager.

The process for instructing Legal Services on new leases is robust and operating effectively. When an Instruction Pack is sent to them, they prepare the draft lease and send it back to the CP&AM team. Meetings are held regularly to monitor case progress. The Legal Services team notify other services of lease and licence completions. The communication channels are documented in the procedure manual. Roles are clearly outlined in documented guidance and staff can clearly articulate their responsibilities. Once a new lease is completed, Legal Services send a completion memo:

- containing a brief on the lease, rent value, rental deposit, and previous lease or tenancy agreement
- to the CP&AM team, the Income team, Accountancy, Finance and where relevant the Business Rates and other teams.

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There are appropriate processes in place to monitor adherence to the terms of leases and licences issued by the Council. These involve monthly meetings between the CP&AM team and Legal Services to review any open issues including lease proposals in process and on-going disputes on recovery of rent. Although the meetings are not formally minuted, actions are recorded and followed up each month.

There are robust monitoring arrangements in place to ensure leases and licences are renewed or reviewed in a timely manner. Renewal and annual review dates are recorded in the I-Dox management system. Automated reminders are received by a CP&AM team member who is responsible for undertaking the review, one month before this date. There is a need for Council Surveyors to improve the documentation of the approach used to perform valuations use to support new rents calculated when a rent review is undertaken. The relevant authorities are put in place prior to completions through delegated authority or Standing Orders. These are checked by the Legal Services team prior to sealing.

The collection of income from leases and licences is robust and well designed. Payment schedules are uploaded into the general ledger once leases are issued. Invoices are automatically generated within Agresso, when payment dates are reached. Monthly reports are produced by the Income Manager and shared with the CP&AM team who are responsible for any leases where income receipts are overdue. Instructions flow from CP&AM and Legal Services to the Income Team in relation to debt recovery as appropriate. The Aged Debt reports could be improved by including details of specific actions that need to be taken to recover the outstanding debt and the action owners.

The escalation of outstanding debt for leases and licences is well documented and operating effectively. Where there has been a default in payment, CP&AM and Legal Services determine whether any terms and conditions of lease need to be invoked. They will then take the appropriate action to ensure the Council is able to collect the income owed.

Number of actions agreed: 3

Financial systems work to support the production of the Council's Statement of Accounts

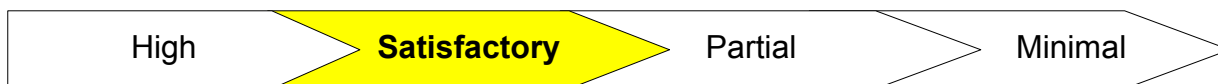
Objective

To confirm that the following key objectives and associated controls in each of the systems outlined below:

- are designed to prevent or detect material financial errors, and
- have been in place during 2017/18 and therefore, can be relied when producing the Council's Statement of Accounts.

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Assurance



Scope and Control Opinions

The key controls audited are detailed in the table below. The assurance assessment (*) reflects:

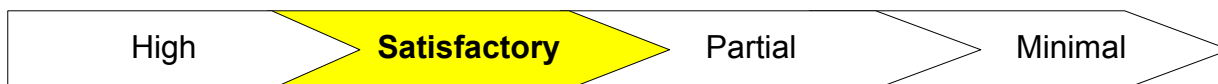
- the strength of the control design
- how well the control has operated in practice OR
- the assurance obtained from substantive testing, if the control could not be relied upon.

Summary

Key controls audited	Assurance (* refer above)
Accounts Payable	
• Reconciliations between the Accounts Payable and the General Ledger systems are complete, accurate and timely.	High
• Purchases are correctly approved via the Agresso system, in line with the Council's Scheme of Delegation.	High
Accounts Receivable	
• Reconciliations between the Accounts Receivable and the General Ledger systems are complete, accurate and timely.	Satisfactory
• All instructions from originating service areas for debtors to be raised are: <ul style="list-style-type: none"> • accurately and completely turned into an up to date, official Council invoice, on a timely basis • recorded on the Accounts Receivable system. 	Partial
Business Rates	
• Reconciliations between the Business Rates and the General Ledger systems are complete, accurate and timely.	High
• Reconciliations of property numbers and rateable values between the Business Rates system and the government's Valuation Office are complete, accurate and timely.	High
Council Tax	
• Reconciliations between the Council Tax and General Ledger systems are complete, accurate and timely.	High

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Key controls audited	Assurance (* refer above)
<ul style="list-style-type: none"> Reconciliations of property numbers and rateable values between the Council Tax system and the government's Valuation Office are complete, accurate and timely. 	High
<ul style="list-style-type: none"> Data identifying single person discount fraud is used to correct Council Tax accounts on a timely basis. 	High
Council Tax Benefit	
<ul style="list-style-type: none"> Reconciliations between the Council Tax Benefit and General Ledger systems are complete, accurate and timely. 	High
General Ledger	
<ul style="list-style-type: none"> Reconciliations between the General Ledger and the bank account/s are complete, accurate and timely. 	High
<ul style="list-style-type: none"> Journals are accurate, authorised and supported by appropriate evidence to confirm their validity. 	High
Housing Benefit	
<ul style="list-style-type: none"> Reconciliations between the Housing Benefit and General Ledger systems are complete, accurate and timely. 	High
Payroll	
<ul style="list-style-type: none"> Reconciliations between the Payroll and General Ledger systems are complete, accurate and timely. 	High

Accounts Receivable

Reconciliations

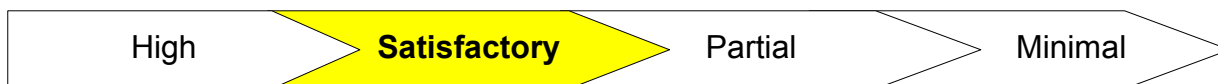
The Agresso system runs an AG06 report each month which automatically produces the reconciliation between the Accounts Receivable Ledger and the General Ledger. This is then checked by the Accounts Receivable Manager to ensure it is complete and accurate. There was evidence this reconciliation was being undertaken regularly and there were no differences between the ledgers.

The Revenues Manager should then:

- independently check that there are no issues with the reconciliation

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- confirm via e-mail to the Accounts Receivable Manager that this work has been done.

There is no evidence that the independent review is being completed. The Accounts Receivable Manager only received confirmation e-mails covering the April and May 2017 reconciliations.

Instructions from Originating Service Areas

A report comprising of invoice requests for debtors is run on the CIVICA system. Internal Audit was advised that 10% of cases detailed on the report are supposed to be checked by the Accounts Receivable Manager, as per the established control environment.

The details of the invoice request and the invoice are checked to ensure that the coding and value is correct. For each case checked, the report is annotated with his initials and the date to indicate that the check has been undertaken. However, these checks have only been completed for April 2017 and May 2017 of the 2017/18 financial year. This was due to other priorities with workload.

Therefore, as reported last year, a view should be taken as to whether to tolerate this risk, amend the level or frequency of checking to be done or address the resourcing issues. Particularly given the Accounts Receivable Manager has indicated that there are usually very few errors and these are not material in value.

Number of actions agreed: 2