

Agenda Item No: 12

TITLE INTERNAL AUDIT PROGRESS REPORT

To: Audit & Accounts Committee

Date: 21st November 2017

From: Duncan Wilkinson, LGSS Chief Internal Auditor

1. PURPOSE

- 1.1 To report on the main areas of audit coverage for the period 1st September 2017 to 31st October 2017 and the key control issues arising.

2. BACKGROUND

- 2.1 The role of Internal Audit is to provide the Audit Committee and Management independent assurance on the effectiveness of the controls in place to ensure that the Council's objectives are achieved. Internal Audit coverage is planned so that the focus is upon those areas and risks which will most impact upon the Council's ability to achieve these objectives.

Recommendation

- a) The Committee is requested to consider and comment on the contents of this report, and
- b) to agree the provision of the risk management health check and benchmarking review service by the Council's insurers. (Referenced at paragraph 5.4)

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LGSS Internal Audit & Risk Management

Cambridgeshire County Council

Update report

As at 31st October 2017

Section 1

1. FINALISED ASSIGNMENTS

- 1.1 Since the previous Progress Report to Strategic Management Team (SMT) in September 2017, the following audit assignments have reached completion as set out below in table 1:

Table 1: Finalised Assignments

No.	Directorate	Assignment	Compliance Assurance	Systems Assurance	Organisational impact
1.	Cross-Cutting (Cambridgeshire County Council (CCC)-wide)	Capital Programme Assurance	Satisfactory	Satisfactory	Minor
2.	Corporate & Customer Services	Project Assurance – Cambridgeshire Public Services Network (CPSN)	Good	Good	Minor
3.	Cross-Cutting (CCC-wide)	Information Security Culture	N/A	Good	Minor
4.	People & Communities	Governance of Financial Assessments	Satisfactory	Satisfactory	Minor
5.	Corporate & Customer Services	Project Assurance – Citizen First, Digital First	Briefing note style report with recommendations for project governance framework.		
6.	Economy, Transport & Environment	Interim Report to Management regarding Community Transport Investigation	Report to management on issues identified in the course of gathering information for the Community Transport Investigation.		
7.	People & Communities	Thongsleyfields School Financial Investigation	Investigation report into concerns raised by the headteacher, recommendations issued.		
8.	People & Communities	Teversham School Financial Investigation	Investigation report into an incident of theft at the school, recommendations issued.		
9.	Economy, Transport & Environment	Local Transport Capital Block Funding	Grant Certification provided.		
10.	Economy, Transport & Environment	Disabled Facilities Grant 17/18	Grant Certification provided.		

- 1.2 Summaries of the finalised reports with satisfactory or less assurance are provided in Section 6. This excludes individual schools audits, which are reported collectively once all reviews have been finalised.
- 1.3 The following audit assignments have reached draft report stage, as set out below in table 2:

Table 2: Draft/Interim Reports

No.	Directorate	Assignment
1.	Cross-Cutting (CCC-wide)	Project Management Methodologies
2.	Cross-Cutting (CCC-wide)	Procurement Compliance (Quarter 3)
3.	Cross-Cutting (CCC-wide)	Ethics Policies & Compliance
4.	People & Communities	Safe Recruitment
5.	People & Communities	Overtime & Enhancements in People & Communities
6.	People & Communities	Social Care Charging Investigation
7.	Corporate & Customer Services	Assurances from 3rd Parties
8.	Corporate & Customer Services	Business Intelligence Continuity

- 1.4 Further information on work planned and in progress may be found in the Audit Plan, attached as Appendix A.

Section 2

2. FRAUD AND CORRUPTION UPDATE

2.1 CURRENT INTERNAL AUDIT INVESTIGATIONS:

A summary of the current investigative caseload of the Internal Audit team is provided below at table 3. This includes investigations relating to suspected theft, fraud or misuse of funds, which are led by Internal Audit. As at the end of October 2017, 51 cases had been referred to Audit.

Table 3: Internal Audit Investigations Caseload

Case Category	Description of activity or risk example	No.	Outcomes
Direct Payments	Concerns regarding misuse or fraud relating to a direct payment.	1	Investigation concluded & report issued.
Concessionary Travel	Misuse of travel passes	2	Closed – advice given.
		7	Closed – pass withdrawn.
		10	Closed – no fraud.
		1	Closed – no further action.
		1	Closed – passed to the D.W.P.
Blue Badges	Misuse of Blue Badges	10	Closed – badge withdrawn.
		11	Closed – no fraud.
Investigations	Fenland Association for Community Transport (FACT) Investigation	1	Ongoing investigation work.
	Social Care Charging Review	1	
	Conflicts of Interest Investigations	4	
Schools financial	Concerns regarding financial irregularities in schools	2	Site visits completed and reports issued with recommendations.
Totals		51	

2.2 WHISTLEBLOWING POLICY:

The revised Whistleblowing Policy was presented to the Council's Constitution and Ethics Committee on the 26th September, and to the Trade Unions on the 18th October 2017. The final policy is now available both on the Council's intranet, CamWeb, and the external website.

As part of the re-launch of CamWeb in November, a new intranet page is being created which will provide a central list of key corporate policies and procedures which staff need to be aware of; this is being developed by the Transformation Team and Communications Team in response to a previous Internal Audit recommendation. It has been agreed that the launch of the new intranet will be used to re-launch the new Whistleblowing Policy to staff, and a poster and leaflet on the policy have been developed by Internal Audit and will be shared around Council sites at the same time. The team is also working with Communications to develop awareness-raising posts to be shared with staff via the Daily Blog and directorate newsletters.

Section 3

3 **IMPLEMENTATION OF MANAGEMENT ACTIONS**

- 3.1 The outstanding management actions as at the end of October 2017 are summarised in Table 5, which includes a comparison with the percentage implementation from the previous report (bracketed figures).
- 3.2 Please note that an exceptionally high number of actions have become due to date this financial year. In total, 85 actions have required follow up to the end of October; for comparison, 52 actions were followed-up in the entire 2016/17 year. This has placed a strain on the ability of Internal Audit to obtain full information for all actions in this period.
- 3.3 There are currently 21 management actions outstanding. Of the actions that are outstanding, 6 are dependent on the implementation of ERP Gold, and therefore have been delayed due to the go live date being pushed back. All six of these actions were due within the last three months.
- 3.4 A summary of the outstanding recommendations, and the current progress with implementing them, is provided in a table at Appendix B.

Table 5: Outstanding Management Actions

	Category 'Essential' recommendations		Category 'Important' recommendations		Total	
	Number	% of total	Number	% of total	Number	% of total
Implemented	5	6% (5%)	59	69% (57%)	64	75% (62%)
Actions due within last 3 months, but not implemented	1	2% (0%)	10	12% (24%)	11	13% (25%)

Actions due over 3 months ago, but not implemented	0	0% (0%)	10	12% (13%)	10	12% (13%)
Totals	6		79		85	

- 3.5 The outstanding 'essential' recommendation relates to developing clear governance arrangements for the Transformation programme, making it clear which body or bodies have responsibility for approval, scrutiny and monitoring of different elements of the Transformation programme. The Corporate Leadership Team has been leading on the process of developing transformation proposals, but governance arrangements have not yet been formalised.

4. SUMMARIES OF COMPLETED AUDITS WITH SATISFACTORY OR LESS ASSURANCE

A. CROSS-CUTTING (COUNCIL-WIDE)

A.1 Project Management Methodologies¹

As part of the 2017/18 Audit Plan, an audit was undertaken on the implementation of new project management methodologies at Cambridgeshire County Council (CCC). The background to the review was several project audits which highlighted weaknesses in project management at Cambridgeshire and identified a need for a council-wide methodology for project management to be developed, in order to provide staff working on projects with a clear process to follow, governance structures, and good practice guidance.

The audit has resulted in limited assurance being given over project management methodologies. New Council-wide project management methodologies, as recommended in previous audit reports, have not been developed. The control weaknesses around projects that were identified in those reports have therefore not been addressed and there is still a lack of comprehensive guidance to support project managers across the organisation. As a result, the Council remains exposed to an increased risk of project failure.

However, the limited assurance applies to the situation at the point of writing this report. In response to the audit findings, a meeting has been arranged to take place in December between representative of Internal Audit, the Transformation Team, the Business Intelligence service, and Finance. Internal Audit has committed to bring initial proposals for a project management process to this meeting, as a starting point for discussions. Consequently, there is a plan to address the lack of guidance, and the implementation of new methodologies will increase the level of assurance that can be given. Internal Audit will continue to be closely involved in the development and implementation of this guidance.

The Transformation Team has also started to use a new piece of project management software, which is expected to be rolled out to project managers across the Council. The aim of the software is to be a pipeline tool with a clear process for project managers to follow. It will be a single source of information on

¹ N.B. at the time of writing, this report is currently at final draft stage but is expected to be finalised by the point of Audit & Accounts Committee and consequently a summary has been provided.

projects being undertaken by the Council for officers, members and external partners. Recommendations to improve the effective use of this software, including the development of a roll-out and communications plan to ensure all relevant stakeholders are consulted, have also been agreed.

A.2 Capital Programme Assurance

A review of project management within the Council's capital programme was undertaken as part of the 2017/18 Audit Plan. This review was requested by the Audit & Accounts Committee as an outcome of the review of the Ely Archives project. The aim of this review was to establish whether the issues identified in that project are found throughout the capital programme, and to give an overall level of assurance of the Council's capital programme as a whole.

Based on the completion of our fieldwork we are giving satisfactory assurance over Capital Programme Project Management. The nature of capital schemes, which are often of a lengthy duration, means that many projects currently included in the programme were initiated several years ago and controls currently in place, such as the investment appraisal, have not been retrospectively applied to these schemes. Consequently, there is a risk that schemes continue to be included in the Capital Programme even if they no longer represent value for money for the Council or no longer fit with the Council's strategic priorities. It has been agreed that the Capital Programme Board will re-launch the new Business Case template and capital process, which will include a process for review of ongoing schemes.

The corporate project management guidance currently in place is limited and not up to date, and there is no guidance relating specifically to capital projects. Individual teams therefore follow their own project management practice. Project management methodologies are the subject of a separate audit review (see above), and as part of the Internal Audit follow-up of actions from this review, it will be ensured that new project management guidance meets the needs of the capital project process.

An audit review of the Education Capital Programme has also recently been completed, which gave an opinion of good assurance over the control environment, and satisfactory assurance over compliance. This is consistent with the findings of this review, as several areas of good practice have been identified in education capital projects, including centralised storage of documentation and milestones to be signed off at key stages in the project. As one of the recommendations from this review, Capital Programme Board will consider whether it may be feasible to also apply this good practice to the rest of the capital programme.

B. PEOPLE & COMMUNITIES (P&C) DIRECTORATE

B.1 Governance of Financial Assessments

When a service user is assessed to be eligible for care and support services, a financial assessment will be completed to establish how much they will need to pay towards their support, per week. This is called the 'client contribution'. In 2016/17, total client contributions received by the authority amounted to £20,674,569, with the average income per week per contributing client at £111.23. A review was included in the 2017/18 Audit Plan, to provide assurance that all service users receive a thorough and accurate financial assessment to determine their contribution.

Based on the completion of our fieldwork, we are giving satisfactory assurance over the control environment and compliance with Financial Assessment procedures at Cambridgeshire County Council. A key issue identified was the current lack of procedures for staff to follow in cases of possible fraud or financial abuse, or to assist them in identifying these issues. The risk is that the service users could be suffering from financial abuse and the Local Authority could be losing out on significant amounts of money from unpaid care fees. A number of recommendations to address this have been agreed, including training members of the Financial Assessment team in the safeguarding referral process; developing a checklist for all cases where suspected fraud or safeguarding issues have been identified; and ensuring that the invoicing process during a safeguarding investigation does not result in a large back-dated invoice being received by the service user.

Further recommendations were also issued, including introducing a clear system to record monitoring checks on cases, to ensure that there is no duplication of effort.

5. OTHER AUDIT ACTIVITY

5.1 NHS DIGITAL AUDIT

Internal Audit has provided support to the NHS Digital Audit of Cambridgeshire County Council in October. NHS Digital is the Government body responsible for health and social care data in England, and CCC has both a Data Sharing Framework Contract with NHS Digital as well as a Data Sharing Agreement for Hospital Episode Statistics data. In September, CCC were notified that NHS Digital would be undertaking an audit of the CCC policies and processes which underpin these agreements, most of which are related to IT or information governance.

Internal Audit met with the auditors and provided information relating to the Council's audit and risk management procedures. The draft findings of the audit noted Cambridgeshire's audit and risk processes and risk documentation as good practice.

5.2 SUPPORT TO QUALITY GOVERNANCE & PRACTICE DEVELOPMENT TEAM

Internal Audit has been providing advice and support to the Quality Governance and Practice Development team within People & Communities. This team has been requested to undertake a series of thematic audits of adults' case files, to identify any areas where practice can be improved within the Directorate.

Internal Audit has been working with the team to provide advice in scoping and developing individual audits, and it has been agreed that Audit will provide further training to the team particularly around identifying risks and controls and developing terms of reference for reviews.

5.3 INFORMATION MANAGEMENT BOARD

Internal Audit is now in attendance at the Council's quarterly Information Management Board meetings. This arrangement will enable Audit to provide advice to the Board, as well as ensuring that Audit is kept informed about emerging risks and issues relating to information governance, data protection and information security.

5.4 PRESSURES ON THE INTERNAL AUDIT PLAN

The Internal Audit Plan has been revised in line with the changes agreed at the previous meeting of the Audit & Accounts Committee on the 19th September.

As previously reported, the time needed to support the PKF Community Transport Investigation has been much higher than initially expected. The decision for Internal Audit to provide the liaison and document recovery role was determined to be most cost-effective for the Council, as the LGSS Internal Audit. A daily rate is approximately the same as the PKF hourly rate.

Due to the high time pressure created by providing support to the Community Transport Investigation, the Audit Plan is currently at capacity, and with the adjustments already made it will not be possible to cancel further audits without undermining the plan's coverage.

In accordance with best practice the Audit Plan should be flexible in reacting to changing risks emerging across the Council. Consequently, while the Internal Audit Plan continues to be re-assessed and updated in line with current risks facing the organisation, any further additions to the plan are likely to require additional funding.

Past experience indicates that the request for additional work already received recently from the People & Communities Directorate, who are requesting a review of NHS Continuing Healthcare, will not be the only request before 1st April. Additional funding may also be required for a review of the Cambridgeshire Housing & Investment Company, and to support the procurement project which has recently been initiated as a result of the Interim Report into the Community Transport Investigation.

It is currently estimated that around 20 days work will be required to support these pieces of work. At the agreed daily rate of £400, this would require CCC funding for £8,000. Once the extent of this work is apparent, the reviews will be scoped and a proposal for funding will be submitted to the Executive Director, s151 Officer and/or Chief Executive, as appropriate.

The plan remains under review and wherever possible risk-assessed, to replace any lower risk work with urgent request as opposed to applying a fee / requesting funding.

5.5 ZURICH RISK MANAGEMENT HEALTH CHECK & BENCHMARKING REVIEW

A proposal has been put forward for the Council's insurers, Zurich, to conduct a risk management health check and benchmarking review across each of the three

LGSS partner Councils. This would include a desktop review of key documents, interviews with senior managers, and a full report providing insight into the effectiveness of risk management at each organisation and insights on developing common risk management approaches. It would also include meetings with the project sponsors and senior management team at each organisation to share the output from the review and provide an update on the risk management approach in place. This service would be offered at no extra cost, as part of the service provided by Zurich.

SMT is requested to approve the uptake of this service.

APPENDIX A

CCC INTERNAL AUDIT PLAN 2017/18

Audit Title	Status	Quarter Opened	Quarter Closed
Other Risk-Based Audits 17-18 (Contingency)	Ongoing	N/A	N/A
Cross-Cutting and Council Wide Audit			
Agency Staff Compliance	Open	2	
European Union (EU) Procurement Regulations - Compliance	Open	2	
Review of Procurement - Compliance – Quarter 1	Complete	1	2
Review of Procurement - Compliance – Quarter 3	Draft	3	
Overtime & Enhancements in Children Families Adults	Draft	1	
Members Travel & Subsistence	Open	2	
Procurement Exemptions Compliance	Open	3	
Unannounced Visits - Archives	Complete	1	2
Unannounced Visits – Wisbech Children's Centre	Complete	1	2
Unannounced Visits – St Neots Children's Centre	Complete	1	2
Projects Assurance 17-18 Central Code	Complete	1	2
Project Assurance – Looked after Children (LAC) Property Project	Complete	1	2
Project Assurance - CPSN	Complete	1	3
Project Assurance - Energy Efficiency Fund	Complete	1	2
Project Assurance - Citizen First, Digital First	Complete	1	3
Project Management Methodologies	Draft	1	
Use of Consultants	Open	1	
Social Media Audit	Open	1	
Scheme of Delegation - Compliance	Complete	1	1
Capital Programme Assurance	Complete	1	3
Capital Programme Board	Open	1	
Commercial Board	Open	1	
Key Performance Indicators	Open	3	
Transformation Programme	Ongoing	All year	N/A

Fees and Charges Policy & Compliance	Not started	2	
Property Portfolio Development Project	Ongoing	All year	N/A
Ethics Policies & Compliance	Draft	2	
Whistleblowing Policy & Compliance	Open	1	
People & Communities Directorate			
Governance of Financial Assessments	Complete	1	3
Traded Services - Cost Recovery	Open	2	
Deprivations of Liberty	Open	2	
Safe Recruitment	Draft	1	
Multi Agency Safeguarding Hub (MASH)	Not started	3	
Joint Safeguarding Board Arrangements	Not started	3	
Deputyships	Open	2	
Direct Payments - Compliance	Open	2	
Troubled Families Grant	Ongoing	All year	N/A
Commissioning Board	Not started	2	
Schools Payroll & Safe Recruitment	Open	2	
Disabled Facilities Grant 16/17	Complete	1	1
Disabled Facilities Grant 17/18	Complete	3	3
Economy, Transport & Environment Directorate			
Other Grants To Be Identified (Contingency)	Ongoing	All year	N/A
Highways Contract Management Arrangements	Open	3	
Highways Contract Open Book Reviews	Ongoing	All year	N/A
Street Lighting Private Finance Initiative (PFI)	Open	1	
Waste PFI Contract	Not started	2	
Local Transport Capital Block Funding	Complete	1	3
Local Growth Fund Grant (Growth Deal)	Complete	1	1
Bus Services Operators Grant	Complete	1	2
Pothole Action Fund	Complete	1	2
Cycle City Phase II Grant	Complete	2	2
Section 31 Grant	Complete	1	1
Public Health and Customer Service & Transformation Directorates			
Business Intelligence Continuity	Draft	1	
Corporate Capacity Review Outcomes	Open	1	
Key Financial Systems			
Accounts Receivable	Not started	3	

Purchase to Pay	Not started	3	
Payroll	Not started	3	
General Ledger	Not started	3	
Bank Reconciliation	Not started	3	
Treasury Management	Not started	3	
Financial Systems IT General Controls	Not started	3	
Risk Management Audit	Not started	3	
CCC Debt Recovery	Not started	3	
Governance & Risk Management			
Risk Management	Ongoing	All year	N/A
Annual Governance Statement-Code of Corporate Governance	Ongoing	All year	N/A
Information Governance & IT Audit			
Information Governance - GDPR	Open	2	
Information Security	Not started	4	
Information Security Culture	Complete	1	3
ERP System IT Controls	Open	3	
Assurances from 3rd Parties	Draft	2	
Controls Review of Critical Systems	Not started	4	
Agresso Data Migration	Not started	2	
Anti-Fraud and Corruption			
Preventative & Pro-active Fraud Work	Ongoing	All year	N/A
Fraud Investigations 17-18	Ongoing	All year	N/A
Community Transport Investigation	Open	1	
Direct Payments - D. Investigation	Complete	1	2
Social Care Charging Investigation	Draft	1	
Declarations of Interest Investigation	Open	3	
CCC 17-18 Fraud - Initial Referrals	Ongoing	All year	N/A
National Fraud Initiative	Ongoing	All year	N/A
Other Planned Work			
Advice & Guidance	Ongoing	All year	N/A
Freedom of Information Requests	Ongoing	All year	N/A
Follow-Ups of Agreed Actions	Ongoing	All year	N/A
Audit Plan	Ongoing	All year	N/A
Committee Reporting	Ongoing	All year	N/A
Management Reporting	Ongoing	All year	N/A



APPENDIX B

Summary of Outstanding Recommendations

Audit	Risk level	Summary of Recommendation	Target Date	Status
Debt Recovery	M	Outstanding Debt Collection Procedures Following the introduction of ERP Gold the following will be considered: - Producing reports and Key Performance Indicators (KPIs) in relation to information recorded on Notes. - Writing off account balances rather than individual transactions (if consistent with Financial Regulations).	31/08/17	This has been delayed due to timescales for ERP Gold being put back. The Debt team is now looking into making changes to the system before go live. Revised target date: end December 2017.
	M	Policies and Procedures Consideration should be given to developing a debt prevention strategy to be incorporated into the LGSS Collections Strategy and would set out the Council's approach to preventing debt e.g. through the promotion of direct debit, deferred payment, interest charges etc.	01/10/17	Internal Audit has been informed that debt prevention is part of the LGSS Collections Strategy, but has not yet seen documentation. Awaiting documentation.
	M	Payment Methods and Credit Control Continuous encouragement is being given to service users to pay by direct debit and DROs will actively promote this method of payment. Emphasis is also being placed on staff involved in financial assessments by focusing the service user's attention to signing up to a direct debit at this early stage.	01/07/17	The area where the biggest change can be made in getting service users to use direct debit is in social care. However there have been some delays due to the IT support required. A project is underway to put the required IT systems in place. Revised target date: end November 2017.
Domiciliary Care	M	Centralised System for Monitoring Missed Calls Regular centralised monitoring of missed calls on AFM (adult social care system) should be introduced, to identify any patterns. This should include cross-referencing to the Council's Soft	08/05/17	New guidance on soft concerns/ notification of concern is being created. This will include recording short, late or missed calls, and a prompt to notify finance when calls are missed.

Replacement of AIS system (MOSAIC Project)		Concerns Record.		Revised target date: end November 2017. See above.
	M	Use of the Soft Concerns Record The Soft Concerns Record (SCR) should be used to log complaints from all service users, including self-funders. An SCR category for missed/short/late calls should be introduced.	08/05/17	
	M	Governance Arrangements and Benefits Complete the final versions of the Business Case, Project Initiation Document and Terms of Reference for the Project Board, and have these signed off by the Project Board. Include the expected benefits of the project, defined in a way that is measurable and with expected timescales.	31/03/17	This project has been completely reviewed and restarted since the initial audit took place. New project documentation has not yet been finalised. Revised target date: end December 2017.
	M	Ongoing Contract Monitoring It was agreed that the project would develop a plan for ongoing contract monitoring, to include who is responsible for it and how often it will take place (including how this will be managed once the project moves into business as usual) in accordance with the Council's Contract Procedure Rules.	31/05/17	This has been identified in the project review work as an area where a plan is required. The project is currently at too early a stage to set a timescale for this. Awaiting revised target date – to be confirmed end December 2017. Internal Audit is monitoring progress on this project through Board documentation.
	M	Service Level Agreement with IT It was agreed that arrangements would be finalised for the support to be received from LGSS IT once Mosaic is live. As this will be a business-critical system, an SLA needs to be in place with LGSS IT which details the support to be provided, timescales and arrangements for fixing system issues, and to define the responsibilities of the supplier and LGSS IT.	31/05/17	This has been identified in the project review work as an area where a plan is required. The project is currently at too early a stage to set a timescale for this. Awaiting revised target date – to be confirmed end December 2017. Internal Audit is monitoring progress on this project through Board documentation.

Client Contributions		Charging of Client Contributions (1) Regular and frequent checks should be undertaken between the SWIFT and AFM systems to identify any service users who have been assessed for contributions where no collection is taking place. A report will be run to investigate the reason why SWIFT has not been set to bill and identify what further action should take place.	3 0/04/17	A quarterly process will be undertaken to reconcile commitments with what has actually been billed. The process for quarter 1 has been pushed back due to other pressures but is planned to be completed in October. Revised target date: end October 2017.
		Charging of Client Contributions (2) The introduction of Mosaic will potentially reduce the number of manual invoices being raised. Service administration teams are responsible for completing transaction checking to detect where committed income is not being invoiced for.	3 1/08/17	This will be dependent on the reports that can be run from Mosaic and the interface between Mosaic and ERP Gold. Finance will continue to check this, but won't know how this will be done until further in the development of Mosaic. Revised target date: end April 2018.
	M	Collection of Client Contributions (1) A detailed review will be undertaken of the feasibility of giving service users who pay by direct debit an annual statement rather than four-weekly invoices. Such a change would require a strategic decision made by General Purposes Committee (GPC).	31/07/17	Work on this has not yet started due to the requirements and time allocated to ERP Gold. This will start to be looked at again in January. Revised target date: end January 2018.
	M	Collection of Client Contributions (2) Monitoring of the take-up of the direct debit payment method will be undertaken on a quarterly basis and reported as part of the Finance dashboard.	30/04/17	Work is being done between Financial Assessments and Business Intelligence to include direct debit information on the finance dashboard. Revised target date: end October 2017.
	M	Deferred Payment Agreements It will become mandatory for all new employees involved with deferred payments to undertake Care Act management training. These sessions will be provided once a quarter.	30/09/17	Development of training has started, but there have been some delays due to lack of capacity in the team. Revised target date: end November 2017.
Payment Methods	M	Services should apply to be transformed Once services are able to determine the total cost of	30/11/16	The roadmap for the Civica Icon project will include prioritisation for transforming services

		transactions by payment method, there should be a clear prioritisation for transforming services, based on the anticipated savings from transformation.		based on anticipated savings and the new data that can be obtained from Civica. Internal Audit has followed this up and has not received evidence to confirm that it has been completed. Awaiting documentation.
		Lack of Budget Holder oversight of costs Once work to develop an understanding of the costs of processing transactions has been completed, the Council may benefit from a review of which traded services are charged payment processing costs, particularly given the increased shift towards trading in services. The methodology by which the costs of processing are charged out to services should be reviewed to confirm that it reflects the number/profile of transactions processed by the service.	3 0/09/16	Work has been undertaken by the Transformation Team during the first quarter of 2017/18 to ensure that all traded services have payment processing costs built into their budgets. Internal Audit has not yet seen evidence of how these costs are charged to budgets, which will enable the action to be confirmed as closed. Awaiting documentation.
Information Governance Policies		Asset management policies and procedures As part of the new ERP Gold system there is a plan to create a "Resource Master File". Amongst other pieces of functionality this will record when a new/moving staff member is issued a piece of IT equipment. When a staff member who is on the system leaves their post their manager will be sent a reminder to recover the IT asset.	3 0/09/17	This has been delayed due to the go live date for ERP Gold being pushed back. Revised target date: end May 2018.
Ely Archives	M	Allowance for tender price inflation As part of the development of the Council's Commercial Board, a 'commercial academy' training programme is being developed for officers who are responsible for contracts; commercial opportunities; procurement etc. This will be incorporated within the training provided.	30/06/17	An outline of the Commercial Development Programme went to Commercial Board in September. More work to develop the programme is required. Awaiting revised target date.
Transformation Programme	H	Governance Roles Work to clarify the roles of Corporate Leadership	31/07/17	CLT has been leading on the process of developing transformation proposals. New

Benefits Realisation		Team (CLT) and SMT with a view to giving CLT a greater scrutiny role of the Transformation Programme. This work should make it clear which body has responsibility for approval, scrutiny and monitoring of different parts of the transformation programme.		governance arrangements have not yet been formalised. Awaiting revised target date.
Section 106		Section 106 Monitoring system records Following the introduction of a new S106 monitoring system, every scheme should be subject to detailed review to establish that all of the information relating to each scheme is complete and accurate.	3 0/09/17	This is dependent on procurement of the new monitoring system, which has been delayed. The system will need to link to ERP Gold for income monitoring, so this recommendation cannot be implemented until ERP Gold has gone live. Revised target date: end April 2017.
	M	S106 Master spreadsheet Spend is already updated monthly on the monitoring spreadsheet. Once ERP Gold is implemented spend will be updated more regularly on the system, however a large proportion will still be allocated at year end.	30/09/17	This has not been completed due to delays in implementation of ERP Gold. Revised target date: end April 2017.
Energy Efficiency Fund	M	Prioritising Projects The pipeline strategy referred to in the Commercial and Investment Committee paper should be implemented as soon as possible. Responsibility for approving/declining projects throughout the pipeline process should be clearly defined as part of the governance procedures.	31/08/17	A revised business case template has been developed. Awaiting further information on development of the pipeline strategy. Awaiting documentation.