

## ANNEX B *Summary of Outstanding Recommendations*

(Recommendation status as at 31.08.2023).

Audit	Risk level	Summary of Recommendation	Target Date	Status
<b><i>Essential Recommendations overdue - over 3 months</i></b>				
ICT Touch Security	Light E	<p>A target date for CCC re-obtaining PSN certification is agreed and JMT is kept updated of progress towards this target. In view of management's comments on the draft report, we recommend two separate target dates be agreed:</p> <ul style="list-style-type: none"> <li>• One for the completion of an ITHC and the submission of an appropriate Remediation Plan to PSN (if needed). Perhaps the target for this could be August 2021</li> <li>• And the other target being for the completion of (at least the high priority elements of) the new Remediation Plan. We suggest this target date could be 3-6 months after the above.</li> </ul>	30/11/2021	<p>The PSN ITHC has been completed and a PSN Remediation Access Plan (RAP) is now in place.</p> <p>The remediation of the high vulnerabilities has a target date of the end of September and the medium vulnerabilities have a target date at the end of October.</p> <p>The Service intends to submit the PSN application at the start of October 2023 assuming the high-risk vulnerabilities have been either resolved or mitigated.</p> <p>Revised target date: 31 October 2023</p>
<b><i>Essential Recommendations overdue - under 3 months</i></b>				
There are no recommendations overdue by under 3 months.				
<b><i>High Recommendations overdue - over 3 months</i></b>				
Consultancy Contracts Assurance	H	Reporting on consultancy expenditure to Committee should include whether or not an e-form has been completed for each separate consultancy assignment, to request approval to use consultants.	31/07/2022	The Head of Procurement & Commercial previously confirmed that the data for this is now being collected through the new e-form for approving consultancy spend. Information on

				<p>approved spend will be part of the standard reporting on consultancy and agency spend.</p> <p>Internal Audit are awaiting an update on when this reporting will be implemented.</p> <p>Revised target date: TBC</p>
Healthy Child Programme	H	<p>Linked to the previous recommendation, Public Health should conduct an exercise to scrutinise all non-staffing costs in the CCS/Cambridgeshire element of the Section 75 Agreement and seek to bring these more in line with the CPFT costs, with particular challenge to the cost of estates and overheads. The Section 75 Agreement permits the cost of the contract to be varied each year as agreed in the Annual Development Plan, so the service should seek to agree a reduction to non-staffing costs to be implemented in the 2023/24 Annual Development Plan (or sooner if agreement can be reached with the provider).</p>	31/08/2022	<p>Internal Audit has not had an update for this recommendation since the previous Progress Report in July 2023.</p> <p>In their previous update, the service confirmed that they are now receiving robust 6-month financial reports from the Provider which includes details of non-staffing costs and new reporting enables them to have a more holistic overview of S75 agreement costs. There is ongoing work being conducted within CCS regarding estates costs, which is the main disparity between CCS &amp; CPFT non-staffing costs, however this will not be concluded by the end of the 2022/23 financial year and the service will include it in the 2023/24 Annual Development Plan.</p> <p>Additionally, there are wider conversations underway within the ICB to take a more system-wide approach to reviewing estates. There is also inclusion with the 23/24 ADP a commitment to ensure that staffing costs always exceed 75% of total contract value. Inflation and increased cost of living pressures, including rising property maintenance/management costs of buildings also makes it challenging to bring down any estate costs this year.</p>

				<p>The service are asking CCS to provide updated HCP costs for all bases they are operating out of and a piece of work has already taken place between CCS and Huntingdonshire District Council to negotiate a reduction in rent costs for the Oak Tree Centre, which is by far the most costly building. However, the service are still waiting to hear back on what this means in terms of a reduction in HCP contributions.</p> <p>Revised target date: TBC</p>
Healthy Child Programme	H	The Authority should seek to vary the Section 75 Agreement to remove the requirement that underspends are ring-fenced for use in the HCP.	31/12/2022	<p>Internal Audit has not had an update for this recommendation since the previous Progress Report in July 2023.</p> <p>In their previous update, the service confirmed this has been agreed between Provider and Commissioner. A new s75 has been drafted and is currently with the provider for review and signature.</p> <p>New Target Date: TBC</p>
Integrated Drugs and Alcohol Treatment System Contract	H	<p>Public Health should alter financial monitoring so that, for budget variances as uncovered in the review of SMS reporting within quarterly contract monitoring meetings, are reconciled to prime evidence, as allowed by clauses 34.1 and 34.2 of the contract. This represents a shift to more open book financial reporting.</p> <p>To assist with this Public Health should utilise the detailed pricing schedule which includes a detailed list of allowable costs against each pricing element. This pricing schedule can be the</p>	30/01/2023	<p>Robust quarterly financial reports are received which reflect a detailed breakdown of variances against each pricing element (as per pricing schedule). Variances are scrutinised. The team have received training from the Head of Diligence and Best Value to improve knowledge.</p> <p>The question of whether quarterly open-book accounting should be adopted in the public</p>

		<p>basis for challenge in contract monitoring meetings allowing for efficient detection of budget variances. It will also allow the council to distinguish costs that should be absorbed by CGL. If the Service considers this unfeasible, they should consult with the Head of Diligence and Best Value for advice and guidance on how to implement a more open book financial reporting approach.</p>		<p>health directorate has been escalated to conversations at the Procurement Governance Board and involving the Head of Diligence and Best Value. This issue has been discussed at at least one meeting of the Procurement Governance Board, but a conclusion is yet to be reached on the best way forward. As these conversations are ongoing, officers have been unable to provide a revised target date.</p> <p>Internal Audit is awaiting the outcome of these discussions and will provide a further update in our next progress report.</p> <p>Revised target date: TBC</p>
Fire Risk Assessments	H	<p>The Property Compliance Team, Estates and Facilities Management should ensure that a review is undertaken to identify a definitive list of all properties for which the Council is required to undertake FRA's. If any such properties identified have not had an FRA in the last three years, the Property Compliance Team Manager should ensure that a FRA is undertaken as a matter of priority.</p>	31/03/2023	<p>The service confirmed the property lists have been reviewed and the definitive 'list' has been created as part of the data entry and data verification processes as part of the new Concerto property database. Once cleansed and verified this will provide the definitive schedule of properties in which CCC has an interest that the property function is aware of. Estimated completion for this is 30 October 2023.</p> <p>Under Corporate Landlord, a further exercise is required to identify property interests taken outside of corporate property processes (i.e. those properties not known or notified to CCC Property). This requires an audit of all services across the council and all risks relating to these sites sit with the appropriate services or functions.</p>

				<p>Estimated completion date 31 March 2024 subject to additional staff resourcing being provided.</p> <p>Revised target date: 31 March 2024</p>
<p><b><i>High Recommendations overdue - under 3 months</i></b></p>				
Direct Payments Consolidated Report	H	<p>Internal Audit has consulted with staff in social care, Finance and Debt Recovery and drafted a proposed Direct Payments Fraud and Misuse Policy, attached as Appendix A. The Executive Director of People Services and the Service Director of Finance &amp; Procurement should review this policy, make any amendments, and adopt the policy on behalf of the Council.</p> <p>Once the policy is adopted, it should be communicated to staff in social care and finance, alongside an awareness-raising exercise through the Council's internal corporate communication channels.</p>	30/04/2023	<p>The service have confirmed that they are awaiting feedback on the new policy. If no amendments are required, it will be circulated with the Director of Legal and Governance to ensure that the policy aligns with other internal policies before full ratification.</p> <p>Revised target date: 31 October 2023</p>
GPC	H	<p>As a deterrent measure, consideration should be given to automatically removing limits of any Cardholders who have not reviewed their last 3 transactions. On first missed review, an email reminder should be sent reminding cardholder of their responsibilities and the possible consequences i.e., card suspension or closure. Likewise, any approvers who are consistently not approving transactions on</p> <p>SDOL should have their approver rights suspended for a fixed period or removed. An accurate compliance log should be maintained that tracks monthly compliance and allows for instances of missed review/approval to be recorded to enable the above. Audit understand this to be in early progress.</p>	01/06/2023	<p>The Finance Team are currently reviewing the number of months over which non-compliance needs to take place to result in card removal to ensure that transactions are provided to the Finance team and reviewed quickly enough to ensure that there is sufficient time for a change of behaviour before action is taken. Currently, information provision is taking too long to enable a 3 strikes rule to be reasonable. Once a number of non-compliant months is decided upon, they will issue an email to all cardholders advising of the change and commence compliance monitoring. They hope to issue this in September with October being the commencement of compliance monitoring.</p>

				Revised target date: 31 October 2023
GPC	H	<p>"The GPC team should carry out proportionate monthly monitoring of GPC expenditure. Responsibility for review of transactions and dormant accounts review should be delegated from the Head of Finance to the GPC team. This would bring GPC team activities in line with the guidance provided by RBS and supports the Council's management of key risks. Review of monthly transactions should identify for further review and investigation:</p> <ul style="list-style-type: none"> <li>• high value transactions</li> <li>• high value cardholders</li> <li>• prohibited spend categories</li> <li>• unapproved transactions</li> <li>• undeclared vat on spend categories that should be vatable</li> <li>• cardholders/app rovers who are not reviewing or approving</li> </ul> <p>Focused review in these areas should ensure high value transactions and non-compliant activity are identified, investigated, and escalated if necessary. Outcomes should be documented within the newly established compliance log to inform a regular compliance report to be shared with the Head of Finance for information. If a review of all expenditure is not practical, regular spot checks should be conducted in the above categories to provide ongoing assurances."</p>	01/07/2023	<p>Monthly reviews of data by the Finance team is taking place but this has not yet been formalised as a set process. The Finance Team will be putting in place more systematic monthly processes for an analytical review of transactions.</p> <p>Revised target date: TBC</p>
GPC	H	<p>"Clear guidance to schools on GPC use should be developed. This should include clear guidelines regarding prohibited categories of expenditure and requirements to review and approve spend. This could be the same as the CCC standard GPC guidance document, or a separate document if it is believed this is required to suit schools needs. Once agreed, a copy should be circulated to all maintained schools and should be shared when schools apply for new GPC or to change a cardholder/approver."</p>	01/08/2023	<p>The service has confirmed the GPC Team are working on new users guide and FAQ Document.</p> <p>Revised target date: 30 September 2023</p>

Healthy Child Programme	H	<p>Once a detailed Pricing Schedule has been developed for the contract, the Public Health team should implement quarterly open-book monitoring against the pricing schedule. This should include a detailed breakdown of actual costs incurred by the providers, with this information being reviewed and challenged by the Authority. The service should also ensure the year-end reconciliation of reported costs to actuals takes place in line with the Section 75 Agreement document.</p>	30/06/2023	<p>The question of whether quarterly open-book accounting should be adopted in the public health directorate has been escalated to conversations at the Procurement Governance Board and involving the Head of Diligence and Best Value. This issue has been discussed at at least one meeting of the Procurement Governance Board, but a conclusion is yet to be reached on the best way forward. As these conversations are ongoing, officers have been unable to provide a revised target date. Internal</p> <p>Audit is awaiting the outcome of these discussions and will provide a further update in our next progress report.</p> <p>Revised target date: TBC</p>
Transparency Code	H	<p>An Information Management Strategy (or equivalent) should be produced to establish how information should be produced and published.</p> <p>It should include:</p> <ul style="list-style-type: none"> <li>• A clear process for key officers to check that all required datasets are published correctly and on time ensuring compliance that the information is published quarterly and annually.</li> <li>• A timetable for key officers to get in touch with service contacts who own the datasets, to remind them that publication is due in advance of deadlines.</li> <li>• Guidance for ensuring if any delayed or absent publication is identified that it is discussed to find out the reasons for this with the officers involved and to establish whether there are ongoing issues with timeliness of publication and to identify the root cause.</li> </ul>	30/06/2023	<p>Internal Audit has seen a copy of the draft FOI Publication Scheme &amp; Local Government Transparency Code Policy which is being taken to CLT in September and a revised target date for approval by the new to be CCC Information Management Board in October 2023.</p> <p>Revised target date: 31 October 2023</p>

		<ul style="list-style-type: none"> <li>Processes to ensure that personal information is redacted appropriately.</li> </ul>		
Transparency Code	H	<p>Key Officers need to be identified in the Council who are responsible for ensuring that the Transparency Code data is published in line with requirements. This should include identifying, in a written document (such as the Information Management Strategy referenced at Recommendation 1):</p> <ul style="list-style-type: none"> <li>The central team (i.e. the Information Governance team) with responsibility for requesting data due for publication; collating the data; ensuring that data accuracy checks have been completed; and publishing the data on the Council's external website.</li> <li>For each individual dataset, identifying which team within the Council is responsible for owning and producing the data and supplying the data to the central team. This should include identifying a named key contact within each team for producing the data.</li> <li>For each dataset, identifying the checks that should be conducted to verify that the information published is accurate and is compliant with the format requirements of the Transparency Code, by the key officers. This can then be followed consistently when officers change to ensure that the process is consistent.</li> </ul>	30/06/2023	<p>Internal Audit has seen a copy of the draft FOI Publication Scheme &amp; Local Government Transparency Code Policy which is being taken to CLT in September and a revised target date for approval by the new to be CCC Information Management Board in October 2023.</p> <p>Revised target date: 31 October 2023</p>
VAT	H	<p>The VAT team should ensure that reconciliations of purchase VAT are undertaken on a monthly basis and include a detailed review of differences highlighted between the GL and the MTD report totals.</p> <p>This requirement and detailed process should be incorporated into the VAT procedures recommended at recommendation 1 above.</p>	31/07/2023	<p>The service has confirmed that this now takes place in practice and that they have submitted first month's claim since the large reclaim went through, and so are now on a more settled process without workarounds.</p> <p>Detailed process will be incorporated into the VAT procedures. These are being drafted and the service are intending to update them further whilst undertaking the September</p>



				<p>process (July's return) before finalising the notes mid-September.</p> <p>Revised target date: 30 September 2023</p>
VAT	H	<p>The VAT team should establish and document a procedure to ensure the HMRC regulations on the Partial Exempt rule to local authorities are complied with. This should include regular monitoring to provide in year assurance or to identify where it is likely that the partial exemption limit may be exceeded. This would also support timely completion of the full year calculation as potential issues will have been identified during the year.</p> <p>The VAT team should ensure the procedure requires officers to notify the S151 if it is identified that the partial exemption limit may be breached.</p> <p>The PE calculations should be reviewed and reported to the Deputy 151 Officer as a matter of priority.</p>	31/07/2023	<p>Notification is happening. Calculations are now included as part of the monthly VAT return process.</p> <p>process notes are being drafted and will be finalised in September. The calculations will be reported in line with the procedure outlined in the process notes (i.e. at certain times of year/if a certain level is reached)</p> <p>Revised target date: 30 September 2023</p>
<b><i>Medium Recommendations overdue - over 3 months</i></b>				
This Land	M	<p>Governance arrangements: A formal document is produced and presented to C&amp;IC (as Shareholder) containing governance arrangements of:</p> <ul style="list-style-type: none"> <li>• Reporting to Shareholder;</li> <li>• Corporate performance indicators for delivery against the benefits identified;</li> <li>• Business plan;</li> <li>• Financing the company;</li> <li>• Reserved matters;</li> <li>• Risk, Audit, and internal control</li> </ul> <p>This could be a development of the drafted Memorandum of Understanding or a separate document which should be discussed and agreed by the committee, with changes made if</p>	01/06/21	<p>The arrangements for reporting to Committee, submission of the annual business plan and financing the company are established. Financing is also governed by loan/security documents (which have recently been updated and reviewed by the external solicitors Freeths). The latest monitoring update to Committee is at S&amp;R on 11 July.</p> <p>Following recent appointments, This Land now has a complete board of directors. The shareholder agreement and articles of</p>

		necessary. Implementation of this recommendation would substantially increase the audit opinion.		<p>association are subject to active review currently, taking account of sector guidance. .</p> <p>The proposed shareholder agreement regulates roles and responsibilities between the Council and the company, its board and sub-committees, describing the governance arrangements for the business and business plan, financial, progress and performance reporting and monitoring, financing and supporting of the business, appointment of auditors, information governance, employment and business conduct. Provision is to be made for assessment and evaluation of the effectiveness of the board and codifying that a shareholder representative (on behalf of the Council) is empowered to request and receive information from the company, including to information relating to assurance and internal controls</p> <p>Revised target date: 31 October 2023</p>
Capital Programme Governance Review	M	There are 23 recommendations in the Capital Programme Governance Review report that became due for implementation on 30 June 2021.	30/06/2021	<p>These recommendations re currently under review as part of an internal audit review. As a result of the work undertaken to date, 3 of the 26 original recommendations have now been marked as 'implemented'. However, the audit work is yet to be completed and the officer conducting the review has now left. This has delayed completion of the review.</p> <p>Revised target date: Audit report expected to be issued in October 2023</p>

General Ledger	M	Urgent action is taken in conjunction with the Payroll and HR Transactions Manager to address the weaknesses in the quality and accuracy of payroll control accounts.	30/09/2021	<p>This action continues to be progressed by the Payroll Team in liaison with Corporate Finance. Aged items are being cleared and there is an action plan in place to address specific issues. The Strategic Finance Manager confirmed that system changes have been implemented that have resolved the root cause issue in relation to two control accounts. Latest analysis shows a significant reduction in aged items.</p> <p>Revised target date: While progress has been made Finance Colleagues have confirmed it will take some time to clear the remaining historic transactions. Internal Audit will continue to Liaise with Finance and provide a further update as part of our next progress report.</p>
DSG - High Needs Block Demand Management	M	The service has indicated that there are already plans to review and update the Personal Budget policy. The service should ensure as part of this update that guidance is clear that where any provision is to be secured by a Personal Budget, Section J of the EHCP should include: details of how the Personal Budget will support particular outcomes; the specific provision it will be used for, including any flexibility in its usage; and the arrangements for any direct payments for education, health and social care.	01/04/2022	<p>The EHCP Improvement Plan Programme of works contains projects such as Personal Budgets, EOTAS and EHE. In addition, Personal Budgets is reflected in the SEND Strategy working groups. However we will need to develop our own Education (SEND) PB Policy. Funding has been secured for a fixed term post for a SEND Policy and Guidance Development Lead. The Job Description is in draft for review and submitting to HR. The aim is to complete this by 31st April 2023 and advertise for recruitment this summer term.</p> <p>Once in post the Lead will undertake a review of current CCC Personal Budget Policy to ensure that we have robust and transparent Policies, so that across the system all services know what Personal Budget means. Clear and Transparent</p>

				<p>guidance is needed to ensure consistent approach and working practice across all of SEND and key stakeholders. This is also inclusive of EOTA's and EHE with are additional projects where Policy and Guidance will also be developed.</p> <p>The development of the EHCP Template also forms part of the EHCP Improvement Plan Programme of works.</p> <p>The development of a working group for Personal Budgets is in Phase 1 of this project as part of the Discovery, definition and design elements required. This is expected to commence in September 2023</p> <p>Revised target date: 30 September 2023</p>
DSG - High Needs Block Demand Management	M	<p>A detailed written training package should be developed and implemented by the local authority and distributed to schools and special educational needs coordinators (SENCO), with information on how to conduct an annual review meeting and how to amend an EHCP after an annual review has taken place. The service should also seek to identify schools which repeatedly supply annual review forms that do not meet the standard requirements expected by CCC and retrain them, in addition to challenging paperwork sent by schools if it is not completed correctly.</p>	01/09/2022	<p>The EHCP Improvement Plan Programme of works is split into two functioning workstreams, Annual Review and EHCP. Under Annual Review we will be conducting extensive research and engagement with our key stakeholders to understand what a good Annual Review looks like. Research will also include anonymised Quality Assurance Audits of Annual Reviews. This will feed into the development of work required to improve the Annual Review process and develop bespoke Training Packages for delivery across the whole system.</p> <p>Seconded SENCOS have been resourced with initial sessions being held alongside the Quality Assurance Lead and SEND Transformation Programme Lead after the Easter Break. The Annual Review workstream will run until, at minimum, end of 2025.</p>

				Revised target date: 31 January 2025.
Overall Schools Report	M	The School Finance Team should amend existing CCC regulations for schools to clearly specify areas where schools need to formulate their own internal policies in addition to the CCC regulations for schools. These include a Scheme of Financial Delegation and the other policy areas listed in Annex A to this report.	30/09/2022	Internal Audit has not had an update for this recommendation since the previous Progress Report in July 2023.  In the previous update, the School Finance Team confirmed they were still implementing the new budgeting and reporting tool (EMS), which would be implemented by the end of the term but was taking the team capacity. The service stated this on the service's priority list for after the implementation of EMS as they want to ensure corporate documentation and guidance reflects requirements from the new system.
Overall Schools Report	M	Where CCC regulations for schools allow for varying proportionality of controls such as separation of duties, the Schools Finance Team should consider clarifying in what situations it is acceptable to deviate from best practice, and to what degree. This could include setting a financial threshold above which schools must be able to evidence separation of duties in purchasing.  It should also be made clearer in the regulations what constitutes sufficient separation of duties at different stages of the purchasing process. For example, can the same person approve a purchase order and then raise it on the system (such as the Headteacher)	30/09/2022	Revised target date: 30 September 2023
Overall Schools Report	M	The School Finance Team should amend CCC regulations for schools to state that the Payroll Costing Report and Previous Pay Comparison Report should be used to identify all variances and illustrate the full cost of the payroll to be signed off. If these two reports are used, the Payroll Validation Reports and EPM Variance reports are not necessary and schools are able to conduct more detailed scrutiny of their payroll.	30/09/2022	

Overall Schools Report	M	The School Finance Team should consider amending CCC regulations for schools to include a requirement that a second officer must authorise individual payroll amendments. This would require schools to apply separation of duties in all individual payroll amendments, which if not demonstrated increases the risk of payroll fraud.	30/09/2022	
Key Policies and Procedures	M	The Partnership Governance Advice and Guidance to be allocated an owner, reviewed depending on the last review date and published on Camweb.	30/11/2022	<p>The Service Director of Policy and Communities has confirmed this task has now been assigned to a Policy and Strategy Officer who will be undertaking the review which will be completed by October 2023.</p> <p>Revised target date: 31 October 2023</p>
AR Income 21/22	M	<p>Documented procedures should be created to govern the future ongoing use of the fortuitous income codes. These procedures should include clear criteria that should be met prior to a suspense item being moved to an income code.</p> <p>These procedures should also cover the process of moving transactions from customer accounts to a fortuitous income code. Once developed, the procedures should be agreed with the S.151 officers.</p>	31/12/2022	<p>This action was delayed due to the IMS project implementing a new income system – in part as changes resultant from the new system had to be considered.</p> <p>A draft process has now been developed in respect of how the fortuitous income code will be operated. As the Income Processing Service is a shared service the paper outlining the new process needs to be reviewed / approved with the S151 officers across each Partner organisation to obtain approval.</p> <p>A review of CCC will data be completed by 31-08-23 when Income Processing will be migrating the contents of ZIC02 suspense account to the new HeyCentric (new IMS system) Suspense Account. Once this is complete (and subject to approval from S151</p>

				<p>Officers) the new process can be implemented and relevant transactions can be transferred to the fortuitous income code.</p> <p>Revised target date: 31 October 2023</p>
AR Income 21/22	M	<p>A policy should be developed to govern how credit only customer accounts should be treated and managed. The policy should include at what point in time a credit only account should be considered as aged. For example, an aged account could be defined as one that has not had any invoices raised for 6 months. The policy should include a check to ensure that a credit only account is not due to failure on behalf of the Council to raise an invoice prior to any further action being taken.</p> <p>Once this policy has been developed, exception reporting should be developed to identify aged credit only accounts so that action can be determined and taken in line with the policy.</p> <p>Data on credit only accounts should be incorporated into the current reporting regime and in conjunction with unapplied items reporting (recommended above) and should include:</p> <ul style="list-style-type: none"> <li>• The number of credit only accounts</li> <li>• The value of transactions on credit only accounts</li> <li>• The volume of transactions on credit only accounts</li> <li>• Narrative on any issues and action taken in relation to clearing transactions from credit only accounts.</li> </ul>	31/12/2022	<p>Although credit only accounts is a situation that spans all customer groups the bulk of such situations is predominantly within the Adult Social Care (ASC) sphere. Bearing this in mind, principles on how to deal with credit-only customer accounts will be drafted in conjunction with ASC to ensure that we limit the impact to vulnerable customers and their financial representatives.</p> <p>ASC credit only accounts have been referred to Adults Directorate to work through and advise of refunds to be processed to Debt/Income</p> <p>This review will also consider the recommendation within the 2022/23 audit of Income Processing, in respect of a small difference write-off / write-on where the account balance is minimal and therefore further actions would not be cost effective.</p> <p>A Draft Process Policy has been created which, if agreed by partners, should be to be put in place start of Q4</p> <p>The target date has been revised to 2023/24 Q3 to allow for the new Income system to be embedded across all Partner organisations.</p>

				Revised target date: 31 October 2023 for partner approval and 31 January for implementation in practice.
Insurance Fund	M	The Claims Handling Manual should be updated following implementation of an Insurance Strategy, this should ensure that the service goals and objectives are supported by operational processes which target management resource accordingly. This could also include: current reporting review processes, betterment circumstances.	31/12/2022	Head of Insurance advised workings of the revised document are in progress, although the implementation of this recommendation relies to some extent on the Insurance Strategy being finalised. The strategy has not been formally approved and is under review by the s151 Officer.  Revised target date: 01 December 2023
Insurance Fund	M	An Insurance Strategy is developed to provide a clear framework for the service goals and objectives including a structured approach to the Councils insurance arrangements. For example, this could include the following information: The strategic aims of the service, a breakdown of the risks the council self-insures and policies the council holds with external insurance providers, the process for projecting future risk profile, management and recharging arrangements, claims management processes and processes for reviewing the insurance strategy.	01/01/2023	Head of Insurance advised that this action has been delayed due to service pressures, however work has now commenced to form an insurance strategy and an initial framework for the document is with S151 for consideration and feedback. The strategy will then need to go to Lead Authority Board as the document will support all councils the Insurance Service supports.  Revised target date: 01 December 2023
Money Laundering Risk Assessment	M	<p>"The content on money laundering in the Fraud Prevention eLearning should be updated to include:</p> <ul style="list-style-type: none"> <li>• Updated information on money laundering laws.</li> <li>• Examples of the type of higher-risk transactions that staff might see in a CCC context.</li> <li>• Case studies with more of a public sector focus.</li> <li>• Reporting Procedure.</li> <li>• Customer Due Diligence process.</li> </ul>	31/01/2023	<p>The creation of e-learning modules on money laundering, and on fraud, bribery, corruption and whistleblowing is underway. Completion currently impeded by resourcing issues and other Internal Audit work.</p> <p>Revised target date 31 October 2023</p>



		<p>Key teams in areas at highest risk of money laundering (i.e. Finance Operations, Property and social care finance) should be targeted to encourage them to complete the eLearning.</p> <p>The Council should consider introducing a separate Anti-Money Laundering training module which could be offered as targeted or even mandatory training for staff in higher risk teams. “</p>		
Healthy Child Programme	M	<p>The Delegation &amp; Partnering Agreement should be reviewed and updated to permit underspends to be carried forward within the HCP as specified in the Section 75 Agreement, rather than being repaid to PCC as currently required by the Delegation &amp; Partnering Agreement. The updated document should include a clear governance process setting out how the use of any underspend on the PCC side of the contract should be approved (for instance, this could specify approval by the Director of Public Health). As part of this, the service should also consider whether it is practical to include more flexible provisions in the Delegation &amp; Partnering Agreement around financial contributions, so that the Agreement does not have to be completely re-written and re-signed if the financial contributions are indexed or uplifted during the course of the partnership. This should include a clear governance route for approval of changes to the contract value (for instance, approval from the Director of Public Health).</p>	31/03/2023	<p>Internal Audit has not had an update for this recommendation since the previous Progress Report in July 2023.</p> <p>Revised target date: TBC</p>
Fire Risk Assessments	M	<p>Once a definitive list has been identified of all council properties requiring FRAs, a column should be added to the corporate portfolio spreadsheet to indicate where a FRA needs to be completed for a property, so the Compliance Team can regularly reconcile against their own FRA compliance spreadsheet to ensure they are carrying out required FRAs.</p> <p>An area of good practice would be to add another column for the rationale if a FRA is not required, as this would prevent the need to duplicate work if staff move on. The live corporate</p>	31/03/2023	<p>The service confirmed progress has been made on this recommendation but it is not yet complete. This work is being prioritised alongside other key H&amp;S tasks and is linked to the work on compiling a verified list of properties.</p> <p>Revised target date: 31 March 2024</p>

		portfolio list should then be made available to all Teams to ensure that they are aware of when new properties are added or when properties are deleted.		
DR 21/22	M	<p>Regular reviews of aged debts should be undertaken with the aim of reducing existing aged debt. These reviews should be targeted to ensure they are proportionate to resources and focus on aged debts that may not have been reviewed recently or on a regular basis. Reviews should include:</p> <ul style="list-style-type: none"> <li>• Identifying any aged debts where no manual recovery activity has been undertaken.</li> <li>• Identifying any aged debts where no manual recovery activity has been undertaken for a significant period.</li> <li>• Determining whether action from the service who raised the invoice is required</li> <li>• Determining What recovery activity should be undertaken</li> <li>• Whether the debt is considered unrecoverable and should be written off</li> </ul> <p>Given that the portfolio prioritisation of high value debts means it is less likely that lower value aged debts are regularly as part of existing processes, it is recommended that these debts are subject to regular targeted reviews.</p> <p>Reviews could be undertaken by redistributing existing resources for a limited period</p>	31/03/2023	<p>Aged debts are reported as part of the monthly reporting pack which is distributed and discussed at Service Review meetings.</p> <p>Data shows that the majority of aged debt lies within the ASC sphere, where recovery of charges can be complicated due type of service, client base and other government bodies which elongate timeframes for resolution which are outside of the Authorities control.</p> <p>Improvements have been made by the introduction of statement style invoicing during 2022/23 for ASC debts so that all outstanding invoices are reminded to address low value debts that may not have been prioritised within portfolios. In addition, a one-off exercise that looked at low value aged debts against dormant accounts was undertaken.</p> <p>A review of Debts over 6 months old is being undertaken to identify any with no complaint codes recorded s to ensure that actions have been taken and debt statues are more accurate to aid reporting. Also changes have been made to Debt Status assignment within monthly Debt reporting to more accurately reflect debts with no complaint codes after 90 days to show that these are with the Debt Team to manage rather than still in Dunning Cycle.</p>

				<p>ASC Debt Improvement Project set-up during Q3 of 2022/23 with the aim to improve all aspects of the customer journey, and the debt position. The outcomes of the review will be implemented during 23/24.</p> <p>Further update will be provided in the second half of 2023/24 once the outcome of the Improvement project is known and changes implemented.</p> <p>Revised target date: Internal Audit will re-engage with the Debt Recovery Service to assess progress with this in September 2023</p>
GPC	M	Analysis Reports should be shared to the Information Governance team to be uploaded onto Insight to ensure CCC is complying with statutory Transparency Code requirements	01/04/2023	<p>Format of data sets agreed with Professional Finance, GPC Team providing retrospective absent data sets with the process then being embedded as part of BAU with data sets to be published monthly. Procedure guides and all data sets to be published.</p> <p>These changes have now been made with a view to being signed off and published by the end of September.</p> <p>Revised target date: 30 September 2023</p>
<b><i>Medium Recommendations overdue - under 3 months</i></b>				
Chartwell Assurance	M	To maximise transparency, it is recommended that a checking mechanism is included within Project Management Office (PMO) gating or within project commissioning working procedures, that requires commissioning officers/project	01/06/2023	<p>Guidance for this recommendation has been written up in new PPM Guidance and PPM Framework documents - these have been drafted but not yet formally introduced. Full</p>

		<p>managers to consider whether related party and/or conflict of interest declarations apply to their project and, if they do, document a plan for managing this.</p> <p>Declarations and linked management plans can be reported to and governed by the relevant project boards/groups. This may include the Capital Programme Board and Corporate Leadership Team for larger scale projects.</p>		<p>launch and implementation was put on hold earlier this year due to the restructure of PDD into the new PIP Service.</p> <p>Revised target date: 31 October 2023</p>
GPC	M	<p>It is recommended that the CCC FAQ document is used as the primary guidance for acceptable use. As an internal document, it can be tailored to be consistent with the policies of CCC. The RBS User Guidance provides a more general guidance, and details of the responsibilities of Cardholders, Approvers and the GPC team. The User Guide, CCC FAQ Document and Travel and Expenses Policy should be</p> <p>consolidated and updated to ensure that guidance on staff subsistence is clear and consistent to all staff, including those in Client Funds and Social teams where exceptions may be permitted.</p>	01/06/2023	<p>The GPC Team are working on new guidance documentation including the CCC FAQ and update to be consistent with the policies of CCC. This will include unacceptable use, Procurement contact details and retention of receipts. Updated guidance will be added to websites. Guidance to include uploaded of receipts. This will allow for one user guide/policy for CCC to negate an ambiguity</p> <p>Revised target date: 30 September 2023</p>
GPC	M	<p>Conditions and exemptions for spend (usually purchases on behalf of service users) within prohibited categories should be clearly specified in the CCC FAQ document</p>	01/07/2023	<p>The service has confirmed the GPC Team are working on new users guide and FAQ Document.</p> <p>Revised target date: 30 September 2023</p>
GPC	M	<p>"The service should review the current blocked categories to explore whether further categories of spend should be included. A starting point might be to align to the current arrangements at Milton Keynes council. As a further preventative control, the service should explore whether access to categories of spend should be tailored to the cardholder's needs and requirements as dictated at application stage. By allowing the cardholder to specify what the GPC card will relevant applicable categories need be unblocked. This should reduce the risk of inappropriate and unnecessary spend."</p>	01/07/2023	<p>The payables team are looking to change the current process for GPC, by transferring the majority of processes to ERP which will then enable improved controls in regard to approvals and reporting</p> <p>Revised target date: TBC</p>

Transparency Code	M	A process should be introduced for reporting on compliance with the Transparency Code to the Information Management Board and/or senior management to include any issues with production of or access to data.	30/06/2023	Internal Audit has seen a copy of the draft FOI Publication Scheme & Local Government Transparency Code Policy which is being taken to CLT in September and a revised target date for approval by the new to be CCC Information Management Board in October 2023.  Revised target date: 31 October 2023
Transparency Code	M	The process that the Information Governance Team undertakes for correcting published data which is subsequently identified as inaccurate is not documented.  The process that the Information Governance Team undertakes for correcting wrongly published data should be documented so it is consistent.	30/06/2023	Internal Audit has seen a copy of the draft FOI Publication Scheme & Local Government Transparency Code Policy which is being taken to CLT in September and a revised target date for approval by the new to be CCC Information Management Board in October 2023.  Revised target date: 31 October 2023
FOI and SARS	M	The Information Governance Team should review all policies and procedures on both Camweb and the Council's external website.	31/07/2023	The policies have been reviewed but need to go to the new Information Management Board when set up - so revised target date end of October.  Revised target date 31 October 2023
Fostering Payments (In-House)	M	The service should undertake a review of its success to date in using IFA 'top up' fees to recruit and retain in-house foster carers and consider whether a higher level of payment should be rolled out across the board to attract and retain more in-house carers. If payment of higher fees significantly improves the availability of in-house placements, the additional cost of the 'top up' fees may be offset by the reduction in the need	01/08/2023	The service has advised that the fostering service is currently undergoing a transformation project, which includes reviewing the issue of payments to foster carers as outlined in the recommendation.

		for external placements. This should be fully explored by the service.		Revised target date 31 March 2024
IP 22/23	M	The Business Systems Team should ensure that the discrepancy in the CCC ZAR10 control account reconciliation is resolved. Once completed the details of the issue and resolution should be reported to the CCC Head of Finance.	31/07/2023	Business Systems working with Accounts Payables Colleagues to clear the low value discrepancy.  NB – this is a minor discrepancy relating to one transaction of £354.25.  Revised target date 31 December 2023
overall school audits 22-23	M	In conjunction with Recommendation 1, the Director of Education and/or Schools' Finance Team should write to all schools to explain that whilst schools do not use ERP Gold, they should follow the key purchasing controls of having an order form raised, approved by a separate approver, and a goods receipting process should be undertaken and evidenced before payment.	31/07/2023	The service has advised that this will be done through the School Finance Team's initial correspondence to schools at the start of the academic year.  Revised target date 31 October 2023
overall school audits 22-23	M	In conjunction with Recommendation 1, the Director of Education and/or Schools' Finance Team should write to all schools to clarify that PTA and school bank accounts should be kept entirely separate. In conjunction with Recommendation 4 below, this information should be included in consolidated financial guidance for schools	31/07/2023	Internal Audit is liaising with the service to consider the best way to approach this recommendation and to agree a revised target date.  Revised target date: TBC
overall school audits 22-23	M	The School Finance Team should consolidate existing CCC regulations for schools into a single document. This should include key controls for making purchases without the use of ERP Gold, which formerly existed in the Financial Regulations for Schools.	31/07/2023	The service confirmed that limited team capacity had prevented the team from being able to implement this recommendation by the original target date, alongside the introduction of the new digital finance system for schools. It was confirmed that the capacity issues have now been resolved, and that the outstanding audit recommendations are high on the team's priority list for the coming weeks.
overall school audits 22-23	M	The School Finance Team should amend existing CCC regulations for schools to clearly specify areas where schools need to ratify their own internal policies in addition to the CCC regulations for schools.	31/07/2023	Revised target date: 31 October 2023

VAT	M	<p>"The VAT team should review all Tusker invoices to determine how much irrecoverable VAT from Tusker was reclaimed from HMRC. Once identified arrangements should be put in place to notify HMRC and ensure erroneously claimed VAT is refunded.</p> <p>The monthly VAT return process should include a check of all Tusker invoices related to the monthly return and ensure manual adjustments are made to ensure the correct amount of VAT is claimed. "</p>	31/07/2023	<p>These invoices are reviewed monthly. We are reviewing process with HR linked to identifying which costs are subject to VAT and are analysing whether there is a tax code in ERP that can be used to resolve this issue.</p> <p>Process notes will be updated once above procedure has been agreed before the end of September.</p> <p>Revised target date: 30 September 2023</p>
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