

Internal Audit Progress Report

Report of the Acting Head of Internal Audit

1.0 Summary

- 1.1 This report notes the performance of the Internal Audit Section up to the 31st October 2016.
- 1.2 This report provides a summary of the key issues raised in final audit reports issued since our last report to this Committee and provides the current status on the follow-up on the agreed audit recommendations made in final audit reports.
- 1.3 This report also provides a summary of fraud work conducted at the Councils.

2.0 Background

- 2.1 Each quarter a report is produced for this Committee which details the Internal Audit Section's performance against the current Annual Internal Audit Plan and summarises the results of audit work carried out.

Internal Audit Performance - 2015/16

- 2.2 As reported to the previous meeting of this committee, the 2015/16 Annual Internal Audit Plan was revised to 645.5 days and 45 items of work by the end of the year. Six audits from this plan were postponed to the current year and as at the 31st October, 602.5 days (93.3%) of the planned days had been delivered. The remaining 43 days relates to five audits, two of which are complete and under review, two are in progress and one is due to commence shortly.

Internal Audit Performance - 2016/17

- 2.3 The 2016/17 Annual Internal Audit Plan presented to the Joint Governance Committee on 22 March 2016 contained 514 days and 38 items of audit work to be undertaken by the Internal Audit Service during the year.
- 2.4 Since approval, the audit plan has been revised to accommodate requests to move audits to different parts of the year and to take account of changes in requirements. The current plan is summarised as:

Period	No of audits planned	No of days planned	% of days planned
Quarter 1 (April – June)	6	81	15.8%
Quarter 2 (July – September)	8	100	19.5%
Quarter 3 (October – December)	12	161	31.2%
Quarter 4 (January – March)	13	172	33.5%
	39	514	100

- 2.5 At 31st October, 202 days (39.3%) of the planned days had been delivered against the plan. Attached as **Appendix 1** is a summary of the current status of audits in the plan.

Final Audit Reports

- 2.6 Recommendations made in audit reports are categorised according to their level of priority as follows:

Priority 1	Major issues for the attention of senior management.
Priority 2	Other recommendations for local management action.
Priority 3	Minor matters.

- 2.7 Internal Audit's assurance opinions accord with an assessment of the controls in place and the level of compliance with these controls. During the course of an audit, a large number of controls will be examined for adequacy and compliance. The assurance level given is the best indicator of the system's control adequacy. The assurance levels and their associated explanations are:-

Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.
Satisfactory Assurance	While there is a basically sound system, there are weaknesses that put some of the system objectives at risk, and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
Limited Assurance	Weaknesses in the system of controls are such as to put the system objectives at risk, and/or the level of non-compliance puts the system objectives at risk.
No Assurance	Control is generally weak, leaving the system open to significant error or abuse, and/or significant non-compliance with basic controls leaves the system open to error or abuse.

- 2.8 The report attached as **Appendix 2** provides a summary of key issues raised in all final reports issued since our last report to this Committee. Since the previous Committee, three reports have been finalised; of these one was a Full Assurance and two were Satisfactory assurance. No P1 recommendations were raised within these reports.

Follow up of Audit Recommendations

- 2.9 In accordance with the Council's Follow-Up Protocol, Internal Audit has continued following-up the status of implementation of recommendations contained in final audit reports.

- 2.10 Follow-up audits are undertaken to ensure that all recommendations raised have been successfully implemented according to the action plans agreed with the service managers. The Follow-up Protocol requires implementation of 80% of all priority 2 and 3 recommendations and 100% of priority 1 recommendations. The performance in relation to these targets as at 31st October is shown in the tables below.

2.11 The Audit App, delivered to us by the Digital Team, is now live and we are in the process of providing audit owners and owners of audit recommendations with information and training to allow them to update the system. Going forward the App will be used to produce statistical information on the implementation of audit recommendations, but in the interim, we will continue to manually calculate the information provided to this Committee as detailed in the tables below.

Analysis of status of recommendations 2013/14

	Total Due	Imp	%	Carried Over (Not Impl'd)	%	FU & Overdue	%	FU & No Response	%	Total % NOT Impl'd	FU Not Due	Total
P1	16	12	75%	1	6.3%	3	18.7%	0	0%	25%	0	16
P2	111	82	73.9%	24	21.6%	5	4.5%	0	0%	26.1%	0	111
P3	23	17	73.9%	5	21.7%	1	4.4%	0	0%	26.1%	0	23
Other	6	6	100%	0	0%	0	0%	0	0%	0%	0	6
Total	156	117	75%	30	19.2%	9	5.8%	0	0%	25%	0	156

Analysis of status of recommendations 2014/15

	Total Due	Imp	%	Carried Over (Not Impl'd)	%	FU & Overdue	%	FU & No Response	%	Total % NOT Impl'd	FU Not Due	Total
P1	37	31	83.8%	1	2.7%	5	13.5%	0	0%	16.2%	0	37
P2	131	101	77.1%	15	11.5%	15	11.4%	0	0%	22.9%	0	131
P3	31	23	74.2%	3	9.7%	5	16.1%	0	0%	25.8%	0	31
Other	7	1	14.3%	0	0%	6	85.7%	0	0%	85.7%	0	7
Total	206	156	75.7%	19	9.2%	31	15.1%	0	0%	24.3%	0	206

Analysis of status of recommendations 2015/16

	Total Due	Imp	%	Carried Over (Not Impl'd)	%	FU & Overdue	%	FU & No Response	%	Total % NOT Impl'd	FU Not Due	Total
P1	33	32	97%	0	0%	0	0%	1	3%	3%	8	41
P2	68	34	50%	1	1.5%	18	26.5%	15	22%	50%	23	91
P3	12	6	50%	0	0%	1	8.3%	5	41.7%	50%	8	20
Total	113	72	63.7%	1	0.9%	19	16.8%	21	18.6%	36.3%	39	152

- 2.12 Attached as **Appendices 3, 4 & 5** are tables which summarise the current follow-up status of recommendations made in final audit reports from audits contained in the 2013/14, 2014/15 and 2015/16 Audit Plans. The shaded boxes indicate where changes have occurred since our last report.

Fraud

- 2.13 At the Committee's meeting on 7 June 2016 we agreed to include a comment on fraud work conducted at the Councils in the future Head of Internal Audit Opinion reports. In order to provide the Committee with further information on the work undertaken to prevent and detect fraud, we plan to provide a summary of fraud work conducted within the Councils within our quarterly reports.
- 2.14 The Councils Corporate Investigations Team, undertake most fraud related work within the Councils. This first update provides details of the work completed by the Councils' Corporate Investigations Team since April 2014 and is attached as **Appendix 6**.
- 2.15 Internal Audit also undertake investigative work as required and co-ordinate the Councils involvement in the Cabinet Office's National Fraud Initiative (NFI). We have recently arranged the submission of the data extracts required for the forthcoming bi-annual data matching exercise. The results of this exercise will be made available to the Councils in January 2017. Once received we will commence investigation of the matches, on a sample basis and an update on progress will be provided at a future meeting of the Committee.

3.0 Proposals

- 3.1 That the Committee note the performance of the Internal Audit Section.
- 3.2 That the Committee note the summary of the key issues raised in final audit reports issued and the current status on the follow-up on Internal Audit recommendations.
- 3.3 That the Committee note the summary of fraud work.

4.0 Legal

- 4.1 There are no legal matters arising as a result of this report.

5.0 Financial Implications

- 5.1 There are no financial implications arising from this report.

6.0 Recommendations

- 6.1 That the Committee note the performance of the Internal Audit Section.
- 6.2 That the Committee note the summary of the key issues raised in final audit reports issued since our last report to this Committee and the current status on the follow-up on Internal Audit recommendations.
- 6.3 That the Committee note the summary of fraud work.

Local Government Act 1972

Background Papers: None

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Schedule of Other Matters

1.0 Council Priority

1.1 The report does not seek to meet any particular Council priorities.

2.0 Specific Action Plans

2.1 (A) Matter considered and no issues identified.
(B) Matter considered and no issues identified.

3.0 Sustainability Issues

3.1 Matter considered and no issues identified.

4.0 Equality Issues

4.1 Matter considered and no issues identified.

5.0 Community Safety Issues (SECTION 17)

5.1 Matter considered and no issues identified.

6.0 Human Rights Issues

6.1 Matter considered and no issues identified.

7.0 Reputation

7.1 Matter considered and no issues identified.

8.0 Consultations

8.1 (A) Matter considered and no issues identified.
8.2 (B) Matter considered and no issues identified.

9.0 Risk Assessment

9.1 Matter considered and no issues identified.

10.0 Health & Safety Issues

10.1 Matter considered and no issues identified.

11.0 Procurement Strategy

11.1 Matter considered and no issues identified.

12.0 Partnership Working

12.1 Matter considered and no issues identified.

APPENDIX 1

	Project	Joint	ADC only	WBC only	Field Work complete	Draft Issued	Final Issued	Assurance level	Assurance at previous audit
1	Local Land Charges	*			Y	Y	Y	Satisfactory	Satisfactory
1	Fleet and Transport Management	*			Y	Y			
1	Fire Risk Management	*			Y	Y			
1	Invest to Save Schemes	*			Y	Y	Y	Satisfactory	No previous audit
1	Management of the Council's Commercial Property Portfolio	*			Y	Y			
1	Disability Awareness	*			WIP				
2	Medium Term Financial Strategy	*			Y	Y	Y	Full	Satisfactory
2	Splashpoint Gym Equipment Fact Find			*	Y	Y			
2	Voluntary and Community - Contract Procurement	*			Y	UR			
2	Corporate Governance	*			Y	UR			
2	Disaster Recovery (Extended Follow up)	*			WIP				
2	Programme Management	*			WIP				
2	Contract Management Audit - Mobile Phones	*			WIP				
2	Final Accounts	*			Y	UR			
3	Right to Buy		*		Y	UR			
3	Creditors	*			WIP				
3	Debtors	*			WIP				
3	Census NDR		*		WIP				
3	Rent Collection and Collection of Arrears		*		P				
3	WBC Leisure Trust - Contract Management			*	P				
3	WBC Revenues (Council Tax and NDR)			*	P				
3	WBC Benefits			*	P				
3	Markets		*		WIP				
3	General Ledger	*			P				
3	Theatres Catering			*					
3	Contact Centre	*							
4	Property Management	*							
4	Sheltered Accommodation		*						
4	Fixed Assets	*							
4	Telephony	*							
4	Capital Accounting	*							
4	Treasury Management	*							
4	Payroll	*							
4	Cashiering	*							
4	Risk Management	*							
4	Application System Review	*							
4	Penetration testing	*							
4	Remote Access Protocols/VPN	*							
4	Welfare Reform - support to claimants	*							

KEY

- P In Planning stage
- WIP Work In Progress
- UR Under review

Key issues from finalised audits

Appendix 2

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised
Cloud Computing (2015/16)	H	Satisfactory (Four Priority 2 and Three Priority 3 recommendations)	No P1 recommendations were raised
Medium Term Financial Strategy (2016/17)	H	Full	No recommendations were raised.
Invest to Save Schemes (2016/17)	M	Satisfactory (Seven Priority 2 recommendations)	No P1 recommendations were raised

Audit	Final Report Date	Assurance level	Recs not applicable for follow up	Total No of Recs	Number of agreed recs completed	% of recs completed	Recs carried over into next audit	% of recs carried over	Number of recs outstanding	1	2	3	% of recs outstanding	Comments	Comments re outstanding Priority 1 recommendations
Director of Digital & Resources															
Finance															
Annual Governance Statement (control issues)	N/A	N/A	N/A	N/A										N/A	
General Ledger	May-14	Satisfactory	1	7	5	71%	2	29%						Recs were followed up as part of 14/15 audit - 2 were reiterated in 14/15 report	
Cashiering	Jun-14	Satisfactory	1	4	3	75%	1	25%						Self assessment received 7/11/14 - remaining recs were as part of 14/15 annual audit - one complete & one reiterated in 14/15 report	
Creditors	May-14	Satisfactory	1	2	2	100%								Recommendations followed up as part of 14/15 annual audit.	
Debtors	May-14	Satisfactory		3	2	67%	1	33%						Recommendation relates to review of procedures	
Capital Expenditure & Fixed Assets	Dec-14	Satisfactory	1	7			7	100%						Recommendations were followed up a part of annual audit. All were reiterated in 14/15 report	
Treasury Management	Jun-14	Satisfactory		2	2	100%								COMPLETE	
Staff expenses (inc car mileage)	May-14	Satisfactory		2	2	100%								COMPLETED before FU due	
Probity - Staff discounts & Concessions	Mar-14	N/A		5	5	100%								COMPLETE	
Probity - Underbankings	N/A	N/A		N/A										N/A	
Probity audit - Stores	Oct-12	N/A		1	1	100%								COMPLETE - Manager requested to note bolt stock in next year end stock report	
Legal Services															
Corporate Governance	Mar-14	Limited		10	5	50%	5	50%							
DBS checks & requirements	Oct-13	Satisfactory	1	3	3	100%								COMPLETE - Update from the Strategic Head of Human Resources confirmed the DBS check has now been completed for the officer transferred to Southdown leisure	
Legal Services	Dec-13	Limited	1	7	7	100%								COMPLETE	
Business & Technical Services															
Building Maintenance	May-15	Limited	3	7	3	43%	2	29%	2	0	1	1	29%	Met with EhoB&TS on 1/11 - actions were agreed in respect of the O/S 2 recs.	
Digital & Design															
Risk Management	Jul-14	Satisfactory		9	2	22%	7	78%							
Director of Economy															
Growth															
Bailiffs	Nov-14	Limited	4	3	3	100%								COMPLETE	
Director of Communities															
Housing															
Housing Rents	May-14	Satisfactory		2	1	50%	1	50%							
Property Buy Back	Mar-14	Satisfactory	1	1	1	100%								Updated provided on 5 Oct confirms this scheme is no longer going to take place therefore O/S rec no longer applicable.	
Wellbeing															
Local Strategic Partnership	Apr-15	Satisfactory		4	4	100%								COMPLETE	
Safer Communities Partnership	Jun-14	Satisfactory		3	3	100%								COMPLETE	
Community Wellbeing	Mar-14	Limited	1	3	3	100%								COMPLETE	

Anti Social Behaviour Management	Jun-14	Satisfactory	2	4	4	100%									COMPLETE	
Environment																
Foreshore Service	Apr-14	Satisfactory		6	5	83%	1	17%							Over 80% complete so no further FU required. O/s rec was partly implemented.	
Cemeteries & Churchyards	May-14	Satisfactory		1	1	100%									COMPLETE	
Grounds Maintenance	May-14	Limited		5	3	60%			2	1	1	0	40%	2 recs outstanding 3.1 - GM Strategy & 3.2 - working procedures (WIP) update provided confirmed both are still in progress - procedures now due for completion by Dec 16	P1 rec re GM Strategy will be completed as part of Parks & Open Spaces Strategy - revised completion date is now Dec 16	
Parks Income Management	Oct-13	Satisfactory		5	5	100%						0		COMPLETE		
Probity - Crematorium Ashes Procedure	Apr-14	Satisfactory		6	6	100%								COMPLETE		
Director of Customer Services																
Revenues & Benefits																
Benefits	Jun-14	Satisfactory		3	2	67%	1	33%							Rec relates to DR plans	
Revenues (Council Tax & NDR)	May-14	Satisfactory		3	2	67%	1	33%							O/s rec relates to updating procedures	
WBC - Business Improvement District	Dec-13	Satisfactory		2	2	100%								COMPLETE		
CenSus NDR	Jun-14	Satisfactory		9	8	89%	1	11%						89% complete - no further FU required		
Waste & Cleansing																
AWCS - Vehicle Maintenance	May-14	Satisfactory		2	2	100%								COMPLETE		
Building Control & Land Charges																
Local Land Charges	Apr-14	Satisfactory		1	1	100%								COMPLETE		
Computer Audits																
Joint website - content & workflow	Nov-13	Satisfactory	1	2	2	100%								Part of OS rec cannot be implemented due to functionality of T4 system - no further FU req'd.		
Network (LAN & WAN)	Apr-15	Limited	1	10	5	50%			5	2	3	0	50%	Updates in respect of all 5 O/S recs have been provided via Audit App - all are in progress and revised deadlines of 31 March 2017 set for completion of actions	P1 recs relate to IOS version & security patch management (not due for implementation until Sept 15) and change & configuration/release management controls (due May 15 & partly implemented)	
Data Centre	Nov-13	Satisfactory		4	4	100%								COMPLETE		
House on the Hill	Mar-14	Satisfactory	2	8	8	100%								Updates provided on 28/10 via the Audit App confirmed that the four remaining outstanding recommendations will be covered in the new Cherwell / CenSus contract that is due to be implemented in December 2016, no further follow up therefore required		
				156	117	75%	30	19%	9	3	5	1	6%			

Audit	Final Report Date	Assurance level	Recs not applicable for follow	Total No of Recs	Number of agreed recs completed	1	% of recs completed	Recs carried over into	% of recs carried over	Number of recs outstanding	1	2	3	Other	% of recs outstanding	Comments	Comments re Outstanding Priority 1 recs
Director of Digital & Resources																	
Finance																	
Annual Governance Statements	N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		No Follow up required	
Budgetary Control	Dec-14	Satisfactory		1	1	0	100%									COMPLETE	
General Ledger	Mar-15	Satisfactory		3				3	100%							All recommendations made in 2014/15 have been reiterated in 15/16 audit so none had been implemented	
Cashiering	May-15	Satisfactory		4	3	0	75%	1	25%							15/16 audit has confirmed 3 recommendations from 2014/15 audit have been completed - one (re procedures) is being reiterated in 15/16 report.	
Creditors	Apr-15	Satisfactory		2	1	1	50%	1	50%							15/16 audit confirmed P1 recommendation has been completed - one (re duplicate payment reports) is being reiterated in 15/16 report.	
Debtors	Feb-15	Satisfactory		2	2	0	100%									COMPLETE	
Insurance	Oct-14	Satisfactory		2	2	1	100%									COMPLETE	
Payroll	Sep-15	Satisfactory	3	5	2	0	40%	3	60%							15/16 audit has confirmed 2 recommendations from 2014/15 audit have been completed - 3 are being reiterated in 15/16 report.	
Treasury Management	May-15	Satisfactory		2	2	0	100%									COMPLETE	
Petty Cash	Jan-15	Satisfactory		2	1	0	50%			1	0	1	0	0	50%	Update received on 20/09/16 confirming that the Cash Office Procedure Notes are still to be written	
Staff Loans	Jan-15	Satisfactory		3	3	1	100%									COMPLETE	
Probity audits - inventories	Aug-15	N/A		6						6	0	0	0	6	100%	Issues to be addressed by Chief Financial Officer during next review of Financial Regulation requirements. Updates requested 13/9 & 27/10.	
Probity - cash floats	Oct-14	N/A		1	1	0	100%									COMPLETE	
Business Rates - Forecasting & Income Projection	Feb-15	Satisfactory		1	1	0	100%									COMPLETE	
Pension Scheme- local administration	Oct-14	Full		0												No Follow up required	
Legal Services																	
Corporate Governance	May-15	Satisfactory		6	6	0	100%									COMPLETE	
Business & Technical Services																	
Facilities Management & Security	May-15	Satisfactory		15	8	0	53%			7	0	6	1	0	47%	Update provided 8/11 confirmed 4 completed. 5 reassigned to other officers - revised deadlines set	
Health & Safety	Sep-15	Limited	3	7	6	1	86%			1	1	0	0	0	14%	Update received from Corp H & S Officer confirmed 1 rec (3.4) is still outstanding- Additional chaser email sent on 01/11/16	
Pool Car Pilot	May-15	Satisfactory		5	5	0	100%									COMPLETE	
Term Maintenance Contract Management - Keith Long Electrical	Mar-16	Limited		8	7	5	88%			1	1				13%	Met with HoB&TS 1/11 - only 1 still outstanding - agreed actions and revised deadlines to enable completion	O/S P1 rec relates to loss of order details within the Recorder system
Construction Contract - MTC Adaptations																	
Land Drainage	Jul-15	Satisfactory		5	4	0	80%	1	20%							80% complete - no further follow up - one P2 rec had not been addressed	
Shoreham Centre	Mar-16	Satisfactory	4	1	1	0	100%									COMPLETE	
Digital & Design																	

Risk Management	Jun-15	Satisfactory	1	14	5	0	36%	9	64%							Meeting held on 21/1 with CPO - remaining recs were in progress and further FU would be performed as part of 15/16 audit	
People																	
Agency Staff Arrangements	Dec-14	Satisfactory		4	1	1	25%			3	0	3	0	0	75%	Update referred to new Strategic Head of HR in Sept, assigned to H Christmas - request for update sent on 27/10/16	
Director of Economy																	
Place & Investment																	
External Funding	Apr-15	Limited		10	10	2	100%									COMPLETE - Update provided on 31/10 confirmed 2 O/S recs as completed.	
Growth																	
MSCP Plate Recognition Barrier System - Procurement	Nov-15	Satisfactory		2						2	0	2	0	0	100%	Self Assessment issued 29/2 - no response. Requests for updates sent 24/5 & 8/9 - Additional chaser email sent on 27/10/16	
Director of Communities																	
Housing																	
Housing Rents	May-15	Satisfactory		3	3	1	100%									COMPLETE	
Housing Maintenance	Oct-14	Satisfactory	1	3	3	1	100%									COMPLETE	
Void Management	Apr-15	Limited	1	9	9	0	100%									COMPLETE - Self Assessment response received which indicates all recommendations have been implemented.	
Housing - Homelessness, Advice & Allocations	Jan-15	Limited		29	29	11	100%									COMPLETE	
Wellbeing																	
Hackney Carriage & Private Hire	Jul-15	Satisfactory	1	4	4	1	100%									COMPLETE	
Third Party Commissioning	Nov-15	Satisfactory		1	1	1	100%									COMPLETE - Commissioning Strategy from 2014 being included within new Procurement Strategy	
Environment																	
Beach Huts	May-15	Limited	1	11	11	1	100%									COMPLETE	
Director of Customer Services																	
Revenues & Benefits																	
WBC Benefits	Apr-15	Satisfactory		1	1	0	100%									COMPLETE	
WBC Revenues (Council Tax & NDR)	May-15	Satisfactory		5	5	0	100%									COMPLETE	
CenSus - Benefits	Nov-15	Satisfactory	1	4	3	0	75%	1	25%							Updated provided by Benefits Manager confirmed 2 recs completed. 15/16 audit confirmed 2 further recs actioned but the P1 rec re WO authorisation was re-raised in 15/16 report	
Customer Contact & Engagement																	
Complaints	Dec-14	Limited	2	7	6	1	86%			1	0	1	0	0	14%	Update re outstanding rec requested on 14/9 - Additional chaser email sent (rec 3.2) on 27/10/16	
Register of Electors	Jul-15	Satisfactory	5													No follow up required	
Car Parks	Oct-14	Satisfactory	2	1	1	0	100%									COMPLETE - the service has accepted that the 2 P1 recommendations re reconciliations could not be implemented as processes did not allow. The entire process for collecting car park income has therefore been revised instead.	
Computer Audits																	

Disaster Recovery	Jul-15	Limited		3						3	3	0	0	0	100%	Update provided via Audit App - 3 recs are still being progress. Mazars Computer Auditors currently undertaking detailed follow up work to establish extent of progress. -
HMS Application	Sep-15	Satisfactory	2	3	3	0	100%									COMPLETE
Data Protection & Information Governance	Mar-15	Limited		9	3	1	33%			6	0	2	4	0	67%	Update provided via Audit App confirmed the six remaining recommendations are still in progress. Deadlines revised to 31 Mar 17.
Service Desk (ITIL)	Sep-15	Limited	3	2	2	1	100%									COMPLETE - Updates provided by Audit App confirmed recs are being addressed as part of larger IT projects so are therefore being addressed.
				206	156	31	76%	19	9%	31	5	15	5	6	15%	

Follow Up of Recommendations 2015/16 Audit Plan

	Final Report Date	Assurance level	Recs not applicable for follow up	Total No of Recs	Number of agreed recs completed	% of recs completed	Recs carried over into next audit	%of recs carried over	Number of recs outstanding	1	2	3	% of recs outstanding	Comments	Comments re Outstanding Priority 1 recs
Chief Executive															
Corporate															
Delivery of Corporate Priorities & Surf's Up Agency	May-16	Satisfactory	1	2	1	50%			1	0	1	0	50%	Updates provided on 9/11 confirmed 1 rec as no longer applicable, one will continue to be monitored so have been considered complete. The remaining rec 3.1 is not due for implementation until Dec 16.	
Annual Governance Statements	N/A	N/A												N/A	
Corporate Governance	Jul-16	Satisfactory	1	1			1	100%						N/A - Recommendation carried forward into 16/17 audit	
Risk Management	May-16	Satisfactory		3					3	0	2	1	100%	Update provided on 8/11 confirmed recs still in progress - deadlines revised to 31/3 & 31/1/17.	
Project Management															
Use of Consultants	Jun-16	Limited		11					11	5	6	0	100%	All recommendations due by 31 Dec 16 - follow up notifications enabled to allow for automatic reminders when rec is due	
Communications															
Communications	Mar-16	Limited		8					8	0	8	0	100%	Update requested 14/9 - Chaser email sent on 31/10/16	
Director for Economy															
Place & Investment Growth															
Fixed Assets	Sep-15	Satisfactory		2	2	100%								COMPLETE	
Planning Services	Aug-16	Satisfactory		2	1	50%			1	0	1	0	50%	Request for update sent 31/10/16 - 1 rec confirmed as complete	
Local Development Framework															
Community Infrastructure Levy	May-16	Satisfactory		3	1	33%			2	0	2	0	67%	Update received on 22/09/16 confirmed both remaining recommendations relating to training have not yet been implemented due to there not yet being a need.	
Director for Communities															
Housing															
Housing Rents	Jun-16	Satisfactory		4	3	75%			1	0	1	0	25%	Update provided on 29/7 confirmed 1 rec completed - P1 rec confirmed as actioned 14/9. Update 31/10 confirmed 3.2 as actioned - 1 rec still O/S (3.4) update requested 7/11	
Adur Building Services DSO	Mar-16	Limited	2	15	15	100%								COMPLETE - Update provided on 2/11 confirmed remaining 2 recs have now been completed.	
Wellbeing															
Public Health	Aug-16	Satisfactory		5	4	80%			1	0	1		20%	Updated received in audit app from Janice Hoiles confirming that four of the five recommendations are complete. Implementation deadline for remaining rec revised to Jan 2017	
Empty Property Management	Jul-16	Satisfactory		4	1	25%			3	0	3	0	75%	Update provided 9/11 confirmed 1 rec complete.	
Director for Customer Services															
Revenues & Benefits															
WBC Benefits	Jun-16	Satisfactory		3	3	100%								COMPLETE	
CenSus - Council Tax	Mar-16	Satisfactory	1	4	2	50%			2	0	1	1	50%	requests for update sent 14/9 & 31/10. Paul Willard (CenSus) confirmed progress on rec 3.2 but recommendation yet fully not complete (will be followed up on 16/17 CenSus Ctax audit).	
Waste & Cleansing															

AWCS	Oct-15	Satisfactory		1					1	0	1	0	100%	update provided 7/11 rec in progress - Agreement is in draft - needs to be reviewed by Legal than signed - should be complete by end of Dec 16
Customer Contact & Engagement														
Customer Services														
Electoral Services	Aug-16	Limited	2	14					14	3	8	3	100%	FOLLOW UP DUE MAY 17 - Auto reminders set
Building Control & Land Charges														
Building Control	Nov-15	Satisfactory		5	1	20%			4	0	2	2	80%	Request for update sent 24/5, 14/9 & 31/10.
Director of Digital & Resources														
Finance														
General Ledger	Jun-16	Satisfactory		5					5	0	4	1	100%	Recs not due for implementation until Apr 17
Cashiering	Aug-16	Satisfactory		2	1	50%			1	0	1	0	50%	Update provided on 31/10 confirmed 1 rec as complete. Awaiting update from Chief Cashier re other (procedures).
Creditors	Jul-16	Satisfactory		2					2	0	1	1	100%	FOLLOW UP DUE JULY 17
Debtors	Apr-16	Satisfactory	1	2	2	100%								COMPLETE
Payroll	Apr-16	Satisfactory		4					4	0	3	1	100%	Updates requested 01/11 of all rec owners
Corporate Fraud Management														
Treasury Management	May-16	Satisfactory		2	2	100%								COMPLETE
Legal														
Design & Digital														
Freedom of Information	Nov-15	Limited	4	5	5	100%								COMPLETE - Update provided via Audit App confirmed all recs now complete
Performance Management	Oct-15	Satisfactory		5					5	1	3	1	100%	Requests for updates sent 24/5, 14/9 & 31/10.
Delivery of Digital Strategy														
Business & Technical Services														
Decent Homes - report from 14/15 fact funding	Mar-16	Nil		28	28	100%								COMPLETE - Met with HoB&TS 1/11 - confirmed that all issues are being built into new processes for future contract letting
Computer Audits														
IT Resilience														
Public Services Network	Sep-15	Satisfactory		3					3	0	3	0	100%	Update provided 8/11 by Interim Head of Digital confirmed actions being taken in respect of the 3 outstanding recs.
Cloud Computing	Oct-16	Satisfactory		7					7	0	4	3	100%	FOLLOW UP DUE JAN 17
Google Mail post implementation review														
				152	72	47%	1	1%	79	9	56	14	52%	

Appendix 6

Corporate Investigations Team – Fraud update

Type of fraud	Period	No of investigations	Proven	Area/result	Saving £
Tenancy	01/4/14-31/3/15	58	9	4 Adur/Worthing Homes 1 Housing Services 4 Right to Buy	1,458,000.00
	01/4/15 – 31/3/16	100	22	4 Adur/Worthing Homes 12 Housing Services; 6 Right to Buy	1,620,000.00
	01/4/16 – date	68 (81 pending)	5	5 Housing Services	810,000.00
Council Tax Reduction	01/4/15 – 31/3/16	4		Investigations resulted in overpayments totalling	730.65
	01/4/16 – date	14		Investigations resulted in overpayments totalling	3152.79
Council Tax Discount (Students/Disabled/SPD)	01/4/15 – 31/3/16	136		Investigations resulted in overpayments totalling	38,315.11
	01/4/16 – date	12		Investigations resulted in overpayments totalling	11,744.40
Housing Register	July and September 2015	2762 persons con Housing Register investigated and current circumstances verified.	538 347	Persons removed from Register in Worthing area after being found to have left the area or to already be housed. Persons removed from Register in Adur area after being found to have left the area or to be already housed.	
Project investigating Recover Project residents on behalf of Housing Services	October 2015	48 persons resident from January 2015	6	Persons found to have no local connection.	108,000.00 (based on 18,000 per case)

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Type of fraud	Period	No of investigations	Proven	Area/result	Saving £
Council Tax – Single Person Discount	December to March 2016	478 intervention reviews completed (Bands G-H).	83	Cancelled. This is 17% detection rate, higher than national average of 5%.	29,050.00
			8	Cancelled after investigation	(83 x £350). 6950.00
Full SPD Review for WBC	July 16 to date	20,227		Value of cancelled discounts to date is: Band E (annual amount of SPD is £481.87. Band D (annual amount of SPD is £394.26) Band C (annual amount of SPD is £350.45).	42,356.40 18,530.22 16,120.70.
CT & NNDR Write-off referrals	Since September 2015	71	20	Persons have been located, with a combined value of Almost all NNDR arrears have been written-off due to companies being dissolved, and therefore unrecoverable.	11,518.20

Housing Services/Advice:

An average of 45 enquiries are received per month from Housing, requiring confirmation of previous 5 years address and income history. The number of these queries which has resulted in homeless and emergency accommodation applications being denied, through false statements and no local connection, is unknown. The saving, per case denied would be £54k (Based on three years being average time spent in temporary accommodation).

The Team are currently working through Adur Homes Repair List looking at all properties which have not requested/received repairs on the property in previous two years. This list is continuously updated.

Right to Buy Applications:

All applications for Right to Buys are verified by the Corporate Investigations Team who check for address history, credit history, bankruptcy, ownership of other properties, existing tenancies with other Housing Associations, and residency at the property.

During 2014/15 15 RTB applications were verified, during 2015/16 35 RTB applications were verified and during 2016/17 to date, 21 RTB applications have been verified on behalf of Adur Homes and Worthing Homes.

From this work 10* cases of fraud were identified which has result in a saving to Adur & Worthing Homes of £779,000 * (the average discount being £77,900).

The cases where RTB fraud was identified included

- An applicant who had resided in Wolverhampton for several years.
- An applicant who owned another property.
- An applicant who had married and was living in rented accommodation at another address, leaving her property empty.

Planned areas of future work:

Assist in locating debtors where the debt has not been recovered and is due for write-off.

Review of all persons receiving Disabled Discount (all households will need to be visited).

Proactive exercise on CTRS 'Nil Income' claims

Proactive exercise on CTRS Self Employed cases

Proactive exercise on CTRS - Capital and persons over 70

Further review of the Housing Registers

Worthing Homes have requested an exercise on their Repairs List.

Continue working on Adur Homes Repairs List

Investigate all reports of Tenancy Fraud and CTRS Fraud.

Other areas of work the Team are responsible for:

HBMS referrals

SFIS – Providing information to the DWP Investigations Team.

Land Registry enquiries

NFI reports

Address checks for Payroll.

Prosecutions:

The Team currently have four prosecution cases currently going through the Court system.

Case 1: Mr BS - Undeclared income from work in the medical profession, and falsification of documents. The case was false from the outset with an overpayment of CTRS of £4061.22.

Appendix 6

Case 2: Mr IK - Undeclared income from undeclared self-employed business since 2013. This case included the falsification of P45/P60 documents. CTRS cancelled from outset of claim with an overpayment of £2,169.67.

Case 3: IG - Mr IG was an Adur Homes Tenant with a three bedroom property. It was discovered that he already held a tenancy with Brighton & Hove City Council and it was further discovered that his two dependent children had never resided with him.

Case 4: Ms RI - Found to have falsely claimed a SPD and that she had had multiple undeclared adult occupants in her property since March 2008. An overpayment of CT SPD was calculated to the value of £6,949.43.

**Included in figures within the main table*