



ADUR & WORTHING
COUNCILS

Key Decision: No

Ward(s) Affected: N/A

INTERNAL AUDIT PROGRESS REPORT
REPORT BY THE ACTING HEAD OF INTERNAL AUDIT

Executive Summary

1. Purpose

- 1.1 This report provides an update on Internal Audit progress and key findings to the Committee.

2. Recommendations

2.1 Recommendation One

That the report be received and progress against the 2021-22 and 2022-23 Internal Audit Plans and implementation of Internal Audit recommendations be noted.

3. Context

3.1 Background

Progress

Each quarter, a report is produced for the Joint Governance Committee (Committee) which details the Internal Audit Section's performance against the Annual Internal Audit Plan as well as a summary of work carried out in the period. Internal Audit Services to the Councils, including the role of the Head of Internal Audit is outsourced to Mazars LLP.

Attached as Appendix 1 is the current Internal Audit Progress report.

Issues for Consideration

4.1 Delivery delays 2021/22 Plan

As reported within our previous progress reports to the Committee, the nature of remote auditing and our reliance on Council staff providing information and resourcing problems in the earlier part of the 2021/22 year, led to some delays in the completion of audits from the 2021/22 Internal Audit Plan. All 2021/22 audits are now complete.

5 Engagement and Communication

5.1 Internal Audit hold monthly meetings with the Chief Financial Officer on progress against the plan. Issues arising and potential plan changes are discussed both at these meetings and whenever necessary.

6 Financial Implications

6.1 There are no financial implications arising from this report.

7. Legal Implications

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

Background Papers

None

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Sustainability & Risk Assessment

1. Economic

1.1 Matter considered and no issues identified.

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. Environmental

Matter considered and no issues identified.

4. Governance

The report does not seek to meet any particular Council priority.



**Adur District & Worthing Borough Councils
Internal Audit Progress Report
July 2022**

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Disclaimer

This report (“Report”) was prepared by Mazars LLP at the request of Adur District & Worthing Borough Councils (Councils), and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently, no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

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01 Introduction

Internal Audit is required to provide a quarterly report on progress and key findings to the Joint Governance Committee (Committee).

This report covers internal audit activity and performance since our last report to the Committee in March 2022 and includes:

- An update on progress in delivering the 2021/22 and 2022/23 Plans;
- A summary of audit reports issued and high priority recommendations raised; and
- An update on follow-up activity and any recommendations outstanding for implementation.

02 Internal Audit Progress

2021/22 Internal Audit Plan

The Committee considered and approved the 2021/22 Internal Audit Plan (Plan) on 23 March 2021.

The Plan provided for 28 internal audits totalling 500 days, including 70 days for IT audits, 27 days for Contract audit and 40 days for management which includes the Head of Internal Audit role. The audits in the Plan comprised a mixture of key financial systems, service-specific (operational and financial), corporate-wide, and IT reviews.

As reported previously to the Committee, changes had been made to the timings of the work within the Plan. Since the last report to the Committee in March 2022, the following additional changes have been made:

- *Condition Surveys contract - vertical audit* – Due to their involvement with finalising the Councils accounts, the key officer was unable to assist with providing documentation for this audit when it was planned. We discussed and agreed with the CFO that this audit would be re-scheduled to the 2022/23 Plan.
- *NFI Testing Days* – The balance of five unused contingency days has been discussed with the CFO and as these have not been required during the year have been removed from the Plan.

The impact of these changes along with those previously reported to Committee meant that the Final Plan contained 26 reviews totalling 406.50 days.

The table below provides a summary of current progress relevant to the 2021/22 Plan:

Audit Status	Number of reviews	Percentage %
Finalised/complete	15	58%
Draft report	11	42%
Fieldwork complete & audit under review	0	0%
Fieldwork in progress	0	0%
Scoping/Planning complete	0	0%
Not yet started	0	0%
Total	26	100%

2022/23 Internal Audit Plan

The Committee considered and approved the 2022/23 Internal Audit Plan (Plan) on 22 March 2022.

The Plan provided for 27 internal audits totalling 515 days, including 55 days for IT audits, 45 days for Contract audit and 40 days for management which includes the Head of Internal Audit role. The audits in the Plan comprised a mixture of key financial systems, service-specific (operational and financial), corporate-wide, and IT reviews.

Since the Plan was approved in March 2022, the following additional changes have been made:

- *Condition Surveys contract - vertical audit* – re-scheduled from the 2021/22 Plan.
- *Fire Doors Contract Management* – Audit added to the Plan at the request of the CFO.
- *Planned Maintenance Programme* – Audit postponed to Q1 of the 2023/24 Plan at the request of the CFO in order to accommodate the above audit.

The impact of these changes mean that the Plan now contains 28 reviews totalling 526 days.

The table below provides a summary of current progress relevant to the 2022/23 Plan:

Audit Status	Number of reviews	Percentage %
Finalised/complete	0	0%
Draft report	0	0%
Fieldwork complete & audit under review	3	11%
Fieldwork in progress	4	14%
Scoping/Planning complete	4	14%
Not yet started	17	61%
Total	28	100%

For reference, additional detail of the audits, progress and timings, is included in Appendix A1 of this report.

03 Audit Reports Issued

We have four categories by which we classify internal audit assurance over the processes we examine: Full, Satisfactory, Limited or None.

Internal Audit categorises recommendations as Priority 1, 2 or 3 to differentiate between the types of recommendation made. These categories give management an indication of the importance and urgency of implementing the recommendations. Details on our Assurance Definitions are contained within Appendix A3.

The table below lists the internal audits for which final reports were issued since our last report to the Committee; all of which relate to prior year reports.

Internal Audit Title	Assurance Level	Planned Year	Previously Reported in Annual Report √ / X
Corporate Governance	Satisfactory	2021/22	√
Cash Collection	Satisfactory	2021/22	√
IT Asset Management	Limited	2021/22	√
Anti-Social Behaviour Management	Satisfactory	2021/22	√

Internal Audit Title	Assurance Level	Planned Year	Previously Reported in Annual Report √ / X
Risk Management	Satisfactory	2021/22	√
Procurement Cards	Limited	2021/22	√
Allocation of Costs and Funding – Public Realm	Satisfactory	2021/22	√
Disaster Recovery (IT)	Limited	2021/22	√

Two Priority 1 recommendations were raised in these reports. Further details of the Priority 1 and Priority 2 recommendations raised in each of these reports can be found in the summary briefing provided separately to Members.

04 Follow-Ups

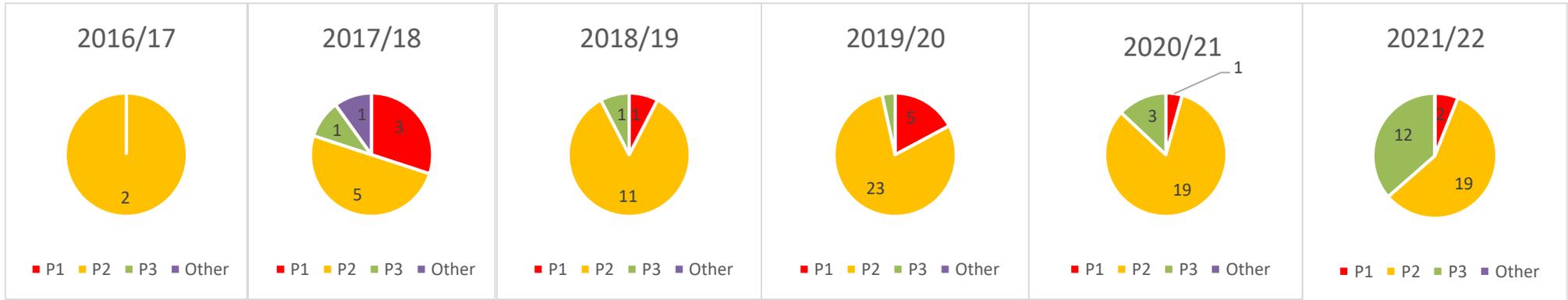
Since the last Committee meeting, the Councils' Audit App has continued to be populated with new recommendations from finalised internal audit reports.

Follow-up audits are undertaken to ensure that all the recommendations/issues raised have been successfully resolved according to the action plans agreed with the service managers. The Councils' target for internal audit recommendations/issues to be resolved at the time of the follow-up is 80% for all priority 2 & 3 recommendations/issues and 100% for priority 1 recommendations/issues.

Performance Objective	Target	Performance (to date)					
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of Priority 1 actions implemented	100%	100%	92%	94%	71%	75%	0%
Number of Priority 1 recommendations (for reference)		17	37	18	17	4	2
Percentage of all actions implemented	80%	99%	93%	93%	73%	59%	3%

Specific details on follow-up performance are included in the briefing note provided separately to Members.

Outstanding Recommendations by Priority Level



In addition to monitoring management updates on progress within the Audit App, Internal Audit can undertake spot checks to confirm that recommendations are being implemented in practice. A Follow Up Protocol is in place which contains a procedure to escalate recommendations that have not been implemented as agreed to this Committee where necessary.

When we reported to this Committee in March 2022 there were 86 outstanding recommendations (split 10 P1, 62 P2, 10 P3 and 1 other) of these 59 were overdue (split 8 P1, 43 P2, 7 P3 and 1 other). As at production of this report, which includes recommendations from finalised 2021/22 audits, there are 110 outstanding recommendations (split 12 P1, 79 P2, 18 P3 and 1 other) of these 83 are overdue (split 9 P1, 59 P2, 14 P3 and 1 other). Further detail of the nine overdue Priority 1 recommendations is included in Appendix A2 of this report.

A1 Current Progress – 2021/22 Plan

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Compliance & Enforcement Grant	Complete	N/A – no opinion work	-	-	-
BEIS Grants - Post Assurance Plan work	Complete	N/A – no opinion work	-	-	-
NFI Testing	Complete	N/A – no opinion work	-	-	-
Street Naming & Numbering	Final	Satisfactory	-	-	1
Out of Hours Service	Final	Satisfactory	-	1	-
Payroll	Final	Satisfactory	-	-	2
Planning Policy	Final	Satisfactory	-	-	1
Corporate Governance	Final	Satisfactory	-	2	5
Cash Collection	Final	Satisfactory	-	-	1
IT Asset Management	Final	Limited	-	3	-
Anti-Social Behaviour	Final	Satisfactory	-	3	1
Risk Management	Final	Satisfactory	-	5	-
Procurement Cards	Final	Limited	-	4	8
Allocation of Costs for Town Centre/Public Realm Improvements	Final	Satisfactory	-	2	-
Governance of Property Purchases	Draft				
Key controls testing	Draft				
Housing - General Compliance	Draft				

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Adur Homes - Regulatory Compliance - Fire Safety	Draft				
Staff Wellbeing	Draft				
Workspaces AW - Accommodation Review	Draft				
Adur Homes - Capital works programme	Draft				
Env Services - Risk Assessments	Draft				
Debt Management	Draft				
Equalities Act Compliance	Draft				
Supply of Affordable housing	Postponed to 22/23 Plan	-	-	-	-
Markets	Postponed to 22/23 Plan	-	-	-	-
Welfare Reform	Postponed to 22/23 Plan	-	-	-	-
Civica/Connect HR system	Postponed to 22/23 Plan	-	-	-	-
Self-Isolation Grants	Postponed to 22/23 Plan	-	-	-	-
Carbon Reduction Programme	Postponed to 22/23 Plan	-	-	-	-
Contract Audit					
Theatres - Procurement & Contract Management	CANCELLED				
Condition Surveys contract - vertical audit	Postponed to 2022/23 Plan				
IT					

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Disaster Recovery	Final	Limited	2	4	-
Device Management & Security	Postponed to 2022/23 Plan				
Cloud Management	Draft		-	-	-
Total			2	24	19

Current Progress - 2022/23 Plan

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Community Infrastructure Levy	Completed Fieldwork Under Review				
Housing Complaints	Completed Fieldwork Under Review				
Recruitment and Selection	Completed Fieldwork Under Review				
BEIS Grants - Post Assurance Plan work	In Progress				
Self-Isolation Grants	In Progress				
Creditors	In Progress				
Key controls testing	In Progress				
Information Governance	Audit Planned				
Commercial Waste	Audit Planned				
Fire Safety	Q3				

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Markets	Q3				
Governance of Property Disposals	Q3				
Invoicing of Housing services	Q3				
Carbon Reduction Programme	Q3				
Civica/Connect HR system	Q3				
Supply of Affordable housing	Q3				
Workforce Planning	Q3				
Economic Development - Small Business Growth Grants & Apprenticeship Grants	Q4				
Safety of Commercially Leased Buildings	Q4				
Risk Management	Q4				
Councils response and impacts of Welfare Reform, Cost of Living, Covid-19	Q4				
Contract Audit					
Condition Surveys contract - vertical audit	Audit Planned				
Fire Door – Contract Management	Q2				
Adur Leisure - contract management	Q3				
Energy Supplier - procurement & contract management	Q4				
IT					
Device Management & Security	Audit Planned				
Systems Development	Q3				
Digital Strategy	Q4				
Total			-	-	-

A2 Outstanding Priority 1 Recommendations (Past Implementation Date)

Leaseholder Service Charges 2017-18 (Final Issued March 2018)

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>3.1 The Council should document a Leasehold Management Policy, which outlines the legislative framework (and timescales) within which it is required to operate for the various leasehold functions and services that it provides.</p> <p>The policy should:</p> <ul style="list-style-type: none"> • Outline any local policy decisions in respect of the management of leaseholders, recovery of charges etc. and detail how these requirements will be achieved; • Clearly state how the Council will deal with major repair costs, including outlining the statutory processes that have to be completed and the timescales to ensure the recovery of costs (e.g. invoice or issue S20B notice within 18 months of cost being incurred; and • State at what level the cost of repairs will be pursued (e.g. minor costs above the £250 legislative rate may not be cost effective for the Council to pursue where there are only a few leaseholders, but if 	<p>There is currently no approved documented policy for Leasehold Management.</p> <p>Where an up to date documented and approved policy does not exist, there is a risk that the Council's objectives and/or responsibilities are not known and may not therefore be achieved.</p>	<p>An overarching policy will be developed. This will be supported by a set of detailed policies and procedures. Work has already begun on identifying those that are required and this will be used as an action plan to ensure all required actions are completed.</p> <p>Deadline - 30th September 2018</p>	<p>The last detailed update provided to IA suggested that a policy had been drafted and consulted upon.</p> <p>Since then, officer changes have occurred and there is a transformation project underway within Housing.</p> <p>IA have met with the Transformation Manager and an update in respect of the progress on this recommendation is awaited.</p>	<p>30th September 2021</p> <p>new date TBC</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>there were several then the costs and effort would be worth it).</p> <p>Once documented, the Policy should be approved by the relevant senior management, member and committee.</p>				
<p>3.32 The Council's Policy in respect of options available to leaseholders for payment of major works should be reviewed, approved by ADC Executive and then consistently applied.</p>	<p>On 15 June 2010, the ADC Cabinet decided the payment option arrangements for leaseholders, this includes the provision of ten year loans. Furthermore, on 13 July 2010 the ADC Cabinet decided additional deferred payment arrangements for works costing more than £5,000 in any financial year.</p> <p>We have not identified any other reports/decisions which revise the decisions taken by the ADC Cabinet in June/July 2010 therefore these decisions would appear to be the most recent and therefore constitute the current policy.</p> <p>These policy decisions are not, however accurately reflected in the current Leaseholders Handbook which states "If you are not able to pay for the cost of major works in full at the time of invoicing, then we offer an interest free loan up to five years depending on the size of the bill and individual circumstances. In this case you will pay in monthly instalments by either direct debit or payment card".</p> <p>The policy decisions were also not detailed correctly in the Paying for Major</p>	<p>The arrangements will be reviewed with Finance and Legal.</p> <p>Deadline - 31st March 2019</p>	<p>As above.</p>	<p>30th September 2021</p> <p>new date TBC</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	<p>Works information that was sent to leaseholders in March 2017 with their invoices. The differences being:</p> <ul style="list-style-type: none"> • The interest added column on the Paying for Major works information states 5.4% for all works costing more than £500 yet this is not what is detailed in the decision by Cabinet. • The Cabinet decision in June 2010 states that "for loans exceeding £1,500, a Land Registry charge would be taken out" the Land Registry requirement on the Paying for Major Works information states N/A for works costing £1,500-£5,000. • The Cabinet decision in July 2010 states the administration fee for deferred payments as £100 yet the Paying for Major Work information states £90. <p>Our walkthrough of a loan arranged in 2015 has shown that he was advised that the charges added to the loan for £10,998 would be 4.4% interest (reviewed annually), £50 admin fee, £40 Land Registry fee and £295 legal costs. This contradicts the Cabinet's decision which states an administration fee of £90 and a Land Registry fee of £50. Furthermore, the reports to the ADC Cabinet in 2010 made no mention of legal costs (nor did the information sent to</p>			

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	<p>leaseholders in 2017). The amounts actually invoiced to this leaseholder were £1209.59 interest (so no annual review), £295 legal costs and £40 Land Registry fee (so no admin fee and incorrect LR fee).</p> <p>We have further confirmed that as a result of invoices sent in February 2017, one leaseholder requested to pay their major works costs (£3,072.49) over a period of 24 months. The email sent to this leaseholder confirms that no interest has been added and that monthly standing order payments should be arranged by the leaseholder. The policy requires DD payments and there is no mention of admin or Land Registry costs that the policy requires and no evidence can be seen on HMS/I@W to confirm that costs have been invoiced.</p> <p>Where approved policies are not known or accurately and consistently applied, there is an increased risk that loans are incorrectly arranged or that incorrect fees are charged. This may result in financial loss to the Council.</p>			
<p>3.33 Once the Major Works Payment Policy has been decided the Council should review how implementing payment loans/arrangements will for major works will be achieved.</p>	<p>Proper arrangements are required to ensure that the Council effects payment arrangements correctly and in line with any policy and legal requirements.</p>	<p>This will be reviewed with Finance and Legal.</p> <p>Deadline - 31st March 2019</p>	<p>As above.</p>	<p>30th September 2021 new date TBC</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>An agreed process, which reflects policy requirements should be effected to ensure that any future loans/arrangements are correctly actioned. Legal Services and Finance should be involved in any discussions to ensure that all legal and financial requirements are met.</p> <p>The agreed process should be formalised in a documented procedure which details the forms that need to be completed, by whom and when and how supporting information/documentation should be retained.</p>	<p>We found some procedures and forms (including a Service Charge Loan Application Form) on the N Drive and emails between the Finance and Leasehold teams going back several years. Our examination of this information suggests that the information provided by the leaseholder on the loan application form would seem to be the primary source for calculation of affordability.</p> <p>Any payment arrangements were effected by Finance until April 2016, when the arrangements transferred to the Adur Homes Leasehold Team.</p> <p>We were advised by the Leasehold Officers that they are very unsure regarding the procedures to be followed, whether they are up-to-date, lines of responsibility etc. They also had queries regarding:</p> <ul style="list-style-type: none"> • how instalments and interest would be applied to Owner Accounts; • monitoring; • how the Council would legally stand in recovering any arrears of interest etc. if charges were not made against properties; and • their ability to calculate interest on loans and setting-up loan/instalment agreements with interest; 			

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	<p>We have noted elsewhere in the audit inconsistencies with arranging loan agreements and lack of supporting information which would suggest that current arrangements are not effective.</p> <p>Where a defined process for effecting payment arrangements does not exist, there is an increased risk that arrangements are not correctly made or that legal requirements are not satisfied and this may impact on the Council's ability to recover all relevant costs leading to possible financial loss.</p>			

Housing Repairs – Matsoft Processes 2018/19 - (Final Issued March 2020)

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
3.24 Adur Homes' management should discuss with Digital how the system can be enhanced to require post inspection of repair projects costing over £1,000.	Adur Homes has a Post Inspections Policy requirement for all jobs with an invoiced value of £1,000 or more to be post inspected. The way that the Mats system is set up means that jobs are now known as Repair Projects which consist of "jobs", some of which are works whilst others are activities such as inspections. Through discussion with the Contracts Compliance Manager, we were advised that the Mats system only automatically	This issue has been raised with Digital and included within the requirements for Stage 2 development of the system. 30th September 2021 (for enhancement of system).	Update provided to IA by the Transformation Manager confirmed that this has been raised with Digital but that the work is currently paused due to resourcing.	30 th September 2022 New date TBC

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	selects jobs over £1,000 for post inspection and not Repair Projects, which may consist of smaller SOR elements that total £1,000. The service are not therefore post inspecting all works over £1,000 in line with their policy and there is a risk that projects costing over £1,000 are not being post inspected.			

Rent in Advance/Rent Deposit Scheme 2019/20 (Final Issued March 2020)

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>3.3 Every form used in the Rent in Advance/Rent Deposit (RiA/RD) process which is used to collect the personal data of the client (and/or their family members) needs to be reviewed and a relevant privacy notice added.</p> <p>Furthermore, where personal data is collected and recorded within forms and the Councils are relying on a client's consent to process the information then the relevant consent(s) need to be obtained.</p> <p>The Housing Needs Manager should liaise with the Councils' Senior Information Governance Officer (SIGO) in order to effect this.</p>	<p>The Data Protection Act (DPA) 2018 and General Data Protection Regulation (GDPR) contain specific requirements that the Councils must comply with when collecting and processing a client's personal data, including obtaining consent and providing privacy notices.</p> <p>From our examination of the 'In Principle Financial Assistance Approval' and 'Vulnerability & Suitability' forms we noted that neither contain any details about consent or a privacy notice.</p> <p>As some of the information required to be provided in the 'Vulnerability & Suitability' form can relate to disabilities or illnesses, the personal information being provided is considered sensitive personal data and</p>	<p>These forms are part of the homelessness prevention process and are therefore covered by the consents given when a homelessness application is made. The Homeless application form also includes the link to the Councils privacy notice which specifically relates to homelessness related processes.</p> <p>Audit Comment – Advice sought from the Councils SIGO has confirmed a privacy notice link is required on all forms which are used to collect personal data and that depending on the process, consent information may also be</p>	<p>No update has yet been provided to IA.</p> <p>This has been raised with the Transformation Manager and an update in respect of the progress is awaited.</p>	<p>TBC</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	<p>is therefore subject to more rigorous requirements under the DPA 2018. Furthermore, as sensitive personal information relating to any other residents in the same dwelling as the client is also being requested, separate privacy notices for these other residents will also be required.</p> <p>Where the required consent and privacy notices are not contained on forms, the Council is in breach of the DPA 2018 and GDPR and should the ICO investigate this the Council may face significant fines.</p>	<p>required. Therefore we recommend that the SIGO is contacted in order to review the process and confirm whether consents are required within these forms.</p> <p>Housing Needs Manager – Agreed Deadline – 30th June 2020</p>		

Regulatory Compliance (Housing) 2019/20 – (Final Issued August 2020)

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>3.4 Adur Homes should review when the last Asbestos management surveys were undertaken and urgently progress any outstanding ones. Furthermore, the outcomes of the surveys should be recorded and monitored, and a monitoring process should be effected to ensure that assessments are undertaken every 12 months.</p>	<p>Section 4 of the CAR12 requires that every property has to have an asbestos management plan and that an asbestos register is retained. Asbestos surveys are required to be conducted every 12 months. An 'Asbestos Management Survey' spreadsheet exists to record where asbestos has previously been identified within housing properties. We tested a sample of ten properties to establish when the last asbestos survey</p>	<p>We have recently undertaken re-inspections on our blocks and this will continue to be done annually.</p> <p>We are still lacking data for many of the dwellings and do not have an up to date asbestos register that can be viewed and edited onsite, Adur and Worthing Councils are in the process of purchasing an asbestos management system called</p>	<p>Update provided to IA by the Transformation Manager confirmed that the surveys were last done two years ago and that a procurement process is in the last stages to commission new surveys.</p>	<p>30th April 2022 New date TBC</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	<p>had been completed and found that: • nine had not had a survey carried out within the last 12 months, (eight were last undertaken in 2017 with the remaining one in 2018), and • the outcomes of two surveys had not been recorded on the 'Asbestos Management Survey' spreadsheet. Where the Council does not carry out an asbestos survey every 12 months, the Council is in breach of the regulations and can face penalties. There is also a risk that residents health and safety is put at risk leading to potential lawsuits, financial penalties and reputational damage.</p>	<p>Alphatracker which will store all of our asbestos surveys and data and will be able to be viewed and edited from site so that records remain up to date.</p> <p>Deadline - 1st December 2020</p>		
<p>3.7 Management should monitor and record the outcomes of inspections and/or maintenance visits to ensure any rectification needed is identified. Management should also ensure that any rectifying actions undertaken address the issues originally identified/raised.</p> <p>Where applicable, any documentation (inspection reports, new certificates etc) received which support the completion of rectification works should be retained.</p> <p>Rectification of recommended actions and/or issues identified should be performed in a timely manner and/or in line with established timescales (i.e.</p>	<p>Any issues identified during regulatory inspections should be remedied in a timely manner to ensure that staff and the public are safe and that Council is compliant with relevant legislation. Testing of the inspections required across 60 properties (for the six different key areas examined) found that: • Asbestos: Eight (out of ten) properties needed follow up works to be carried out as asbestos had been identified as part of the most recent inspections (2017/18) but no follow up works had been evidenced as carried out for these eight properties. • Electrical: Two (out of ten) properties tested included recommendations as a result of the most recent inspections undertaken. These were all 'C3' recommendations which are</p>	<p>Agreed, any actions arising from compliance inspections should be recorded and rectified in a timely manner.</p> <ul style="list-style-type: none"> • Asbestos: We have recently undertaken re-inspections of all sites which have asbestos identified in the 2017/18 reports, any actions required as a result of these inspections will be recorded and prioritised accordingly. Mark Whitfield is assisting us with reviewing the re-inspections as Adur Homes does not currently have a member of staff with P405 qualification. • Electrical: Due to budget pressures we do not undertake C3 	<p>Update provided to IA by the Transformation Manager confirmed that this recommendation is being actioned and information will be stored on the T100 system.</p>	<p>30th September 2022</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
recommended by specialists or legislation).	<p>deemed to be 'best practice' and non-urgent. We confirmed that for one of the properties remedial actions were taken in December 2018 but for the remaining property no works had been undertaken.</p> <ul style="list-style-type: none"> • Water/Legionella: All ten properties tested had recommendations raised as part of the most recent report obtained from Envirocure in January and February 2019 but none of these recommendations were acted upon until work notices were issued on 23 January 2020 for all properties. • Lifts: Two (out of ten) lifts tested where in need of further remedial actions. In one case this was undertaken 76 days from the report/inspection date. For the remaining case, there was no evidence of remedial works being undertaken. Both these cases were stair lifts and not passenger lifts. • Gas: In all ten cases inspections had been undertaken and none of the properties tested had any follow-up actions noted. • Fire: Seven (out of ten) properties had a Fire Risk Assessment completed within the last year, the reports were retained and results recorded. The other three were in progress. <p>Where issues identified from compliance checks are not rectified in a timely manner and management do not monitor these to ensure that rectification occurs in a timely manner, there is an increased</p>	<p>recommendations unless the property is in an overall state whereby it requires a rewire due to other C1 and C2 failures. It is not a regulatory requirement for the Council to undertake C3 recommendations.</p> <ul style="list-style-type: none"> • Legionella and Lifts: All actions have now been completed, we are looking to increase staff resources in compliance so that each of the services has an assigned contract manager. Currently the Compliance Manager is responsible for all services within compliance which. A Compliance and asset management system would automate this and would highlight areas of noncompliance via regular reporting. We currently have to manage action lists across compliance manually which can lead to actions being missed due to time pressures and human error. • FRA: There have been some minor delays with fire risk assessments but we are now on target o have all sites fire risk assessed within the required timescales (annual for Sheltered and Bi-annual for General needs). <p>Maintenance Manager</p>		

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
	risk that the Council continues to be non-compliant and risks the health and/or safety of the public/staff.	Deadline – 1 st November 2020		

Project Management 2020/21 - (Final Issued June 2021)

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>2.5 The Scrutiny and Risk Officer must ensure that all necessary steps in the planning and executing of a project are followed, and documentation is retained.</p> <p>In addition to centralised document retention (which would make gaps in documentary evidence more obvious), the Scrutiny and Risk Officer should track the stages at which each project stands and ensure that all necessary documentation for that stage has been completed before projects progress.</p>		<p>The Councils will do some follow up training for staff from Autumn 2021 to clarify the project cycles.</p> <p>Deadline 31st October 2021</p>	<p>Update provided to IA confirmed that a programme of Project Management training for staff is being investigated and details will be shared with staff when available.</p>	<p>31st March 2022</p> <p>New date TBC</p>

Management of Community Buildings 2019/20 - (Final Issued June 2021)

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
<p>A policy (or a set of policies) should be developed that set out the Councils goals and objectives for the use of and management of community buildings. This policy should include, as a minimum, strategic objectives as well as the key operational practices needed to achieve these objectives. Once developed, the policy should be reviewed and approved by Senior Management and should be subject to regular reviews to ensure it is kept up to date and still relevant to the Council's objectives and/or strategic goals. Version control should be applied to any policy to ensure readers can ensure that they are referring to the current version</p>	<p>Maintaining policies assists in ensuring that staff are aware of and can work towards ensuring corporate goals and objectives are being met. From discussions with the Community and Third Sector Lead we established that there was no corporate steer or corporate policy on how the use of community buildings fit into the Councils corporate objectives or what the expectations were from lessees/tenants. Without such policies, the Councils could be developing new community centres without any review on whether these were needed across the communities or assessing what the needs of communities were in those areas to ensure that the buildings were put to the best use to meet identified needs. Where there is no corporate steer/policy over the use of community buildings, there is a risk that the Councils are failing to meet their goals and objectives and may be missing the opportunity to provide services within those buildings which meet the needs of the local community. Community objectives may also therefore not be achieved.</p>	<p>Agreed, although we are limited to our actions as most Community Centres are on long leases and agreement. The policy will address how closer working with community organisations can be achieved but will balance where the Councils can effect change in premises already leased, where terms cannot be changed and the relationship with the occupiers is purely that of landlord and tenant. 31st March 2022 Adur District & Worthing Borough Councils – Final Report 7 This is being picked up as part of the corporate landlord work. We now have a working group to further develop our work with Community Centres and are working towards clarity over what we want to see in all of our Community Centres. I suggest this forms part of the corporate assets group as a policy approach to centres, stating what each centre needs to have. Note there is not additional resource for this - this work forms part of an existing role and therefore we need to be realistic in relation to monitoring meetings. We do not have the</p>	<p>Update provided to IA confirmed that work is underway to develop a Community Assets Framework that will sit within the Corporate Assets Policy, clearly laying out the approach in the allocation, management and disposal of the Councils' community assets. This will clarify and strengthen the multi-disciplinary work and will create a more robust system of management/ oversight of community assets and greater transparency of the decisions the Councils make around the allocation of space to groups and organisations</p>	<p>31st December 2022</p>

Recommendation (Reference & content)	Findings and Risk as outlined in Final Audit Report	Agreed Action, Comments & Original Implementation deadline	Follow Up Comments	Proposed Completion Date
		resources to commit to this across our whole estate. Deadline: 31 st March 2022		

A3 Definitions of Assurance

Definitions of Assurance Levels		
Level	Description	
Full	There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.	
Satisfactory	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	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	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.	
Definitions of Recommendations		
Priority	Definition	Action required
Priority 1 (Fundamental)	Major issues for the attention of senior management and the Joint Governance Committee.	Remedial action must be taken urgently and within an agreed timescale.
Priority 2 (Significant)	Other recommendations for local management action.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.
Priority 3 (Housekeeping)	Minor matters.	Remedial action should be prioritised and undertaken within an agreed timescale.