



NORWICH City Council

Committee name: Audit

Committee date: 19/03/2024

Report title: Progress Report on Internal Audit Activity

Portfolio: Councillor Kendrick, Cabinet member for resources

Report from: Head of Internal Audit

Wards: All Wards

OPEN PUBLIC ITEM

Purpose

This report reviews the work performed by Internal Audit in delivering the Annual Internal Audit Plan for 2023/24.

Recommendations:

It is recommended that members review progress with delivery of the 2023/24 Internal Audit Plan.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report helps to meet all above corporate priorities.

Report details

1. The Audit Committee receives updates on progress made against the annual internal audit plan. This report forms part of the overall reporting requirements to assist the Council in discharging its responsibilities in relation to the internal audit activity.
2. The Public Sector Internal Audit Standards require the Chief Audit Executive to report to the Audit Committee the performance of internal audit relative to its agreed plan, including any significant risk exposures and control issues. To comply with the above the report identifies:
 - Any significant changes to the approved Audit Plan;
 - Progress made in delivering the agreed audits for the year;
 - And where applicable will provide any significant outcomes arising from completed audits;
 - Provides an update on outstanding internal audit recommendations.

Consultation

3. Not applicable for this report.

Implications

Financial and resources

4. There are no specific financial implications from this report; the internal audit plan will be delivered from within the resources available.
5. There are no proposals in this report that would reduce or increase resources.

Legal

6. There are no specific legal implications from this report.

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	Not applicable for this report
Health, social and economic impact	Not applicable for this report
Crime and disorder	Not applicable for this report
Children and adults safeguarding	Not applicable for this report
Environmental impact	Not applicable for this report

Risk management

Risk	Consequence	Controls required
Failure to undertake the Annual Internal Audit Plan could result in the Head of Internal Audit not being able to provide an annual opinion.	Insufficient Internal Audit coverage could permit on-going weaknesses in the internal control environment at the Council not being detected and reported upon.	Progress against completing the annual internal audit plan is reported to the Audit Committee in accordance with the Public Sector Internal Audit Standards.

Other options considered

7. Not applicable for this report.

Reasons for the decision/recommendation

8. The Committee is receiving this report in conformance with the Public Sector Internal Audit Standards and to assure itself on the progress being made against planned audit activity.

Background papers:

Appendices:

Appended Report: Progress Report on Internal Audit Activity

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Audit Committee 19 March 2024
Appended Report

Eastern Internal Audit Services



Norwich City Council

Progress Report on Internal Audit Activity

Period Covered: 1 January to 31 March 2024

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1. INTRODUCTION

- 1.1 This report is issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) requires the Chief Audit Executive to report to the Audit Committee on the performance of internal audit relative to its plan, including any significant risk exposures and control issues.
- 1.3 To comply with the above this report includes:
- Any significant changes to the approved Audit Plan;
 - Progress made in delivering the agreed audits for the year;
 - Any significant outcomes arising from audits; and
 - Performance Indicator outcomes to date.

2. SIGNIFICANT CHANGES TO THE APPROVED INTERNAL AUDIT PLAN

- 2.1 In accordance with the PSIAS, the annual internal audit plan should be reviewed on a regular basis and adjusted, when necessary, in response to changes on the organisation's business risks, operations, programmes, systems and controls.
- 2.2 Since the approval of the plan in March 2023, six audits have been deferred as detailed in the table below.

Audit description	Nature of the change
Risk Management - NC2402	Deferred to 24/25 to allow for a refresh of the Risk Register and a staff resource to be appointed to oversee risk management.
Staff Wellbeing - NC2312	Deferred to 24/25 due to the appointment of the Senior Internal Auditor at the Consortium who will be doing this audit and to manage the large number of audits which are outstanding.
Accountancy Services - NC2406	Deferred to 24/25 as the Key Controls audit coverage will duplicate some of these areas and there is sufficient finance control audit coverage in other finance areas as well.
Equalities - NC2422	Deferred to 24/25 to manage the large number of audits which are outstanding.
Application Audit – CRM NC2425	Deferred to 24/25 due to the system not yet fully implemented and live.
Non-Housing Capital Programme Management - NC 2412	Deferred to 24/25 due to coincide with the new Asset Management Framework and the audit of this in 24/25.

3. PROGRESS MADE IN DELIVERING THE AGREED AUDIT WORK

3.1 The current position in completing audits to date within the financial year is shown in **Appendix 1**.

3.2 In summary 200 days of programmed work have now been completed, equating to 69% of the Internal Audit Plan for 2023/24.

4. THE OUTCOMES ARISING FROM OUR WORK

4.1 On completion of each individual audit an assurance level is awarded using the following definitions:

Substantial Assurance: Based upon the issues identified there is a robust series of suitably designed internal controls in place upon which the organisation relies to manage the risks to the continuous and effective achievement of the objectives of the process, and which at the time of our review were being consistently applied.

Reasonable Assurance: Based upon the issues identified there is a series of internal controls in place, however these could be strengthened to facilitate the organisation's management of risks to the continuous and effective achievement of the objectives of the process. Improvements are required to enhance the controls to mitigate these risks.

Limited Assurance: Based upon the issues identified the controls in place are insufficient to ensure that the organisation can rely upon them to manage the risks to the continuous and effective achievement of the objectives of the process. Significant improvements are required to improve the adequacy and effectiveness of the controls to mitigate these risks.

No Assurance: Based upon the issues identified there is a fundamental breakdown or absence of core internal controls such that the organisation cannot rely upon them to manage risk to the continuous and effective achievement of the objectives of the process. Immediate action is required to improve the controls required to mitigate these risks.

4.2 Recommendations made on completion of audit work are prioritised using the following definitions:

Urgent (priority one): Fundamental control issue on which action to implement should be taken within 1 month.

Important (priority two): Control issue on which action to implement should be taken within 3 months.

Needs attention (priority three): Control issue on which action to implement should be taken within 6 months.

4.3 In addition, on completion of audit work "Operational Effectiveness Matters" are proposed, these set out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services. These are for management to consider and are not part of the follow up process.

4.4 During the period covered by the report, Internal Audit has issued three final reports:

Audit	Assurance	P1	P2	P3
Planned Maintenance - Investigation	N/a	0	0	0
Procurement and Contract Management	Reasonable	0	3	1
Council Tax and NNDR	Reasonable	0	1	0

The Executive Summaries of these reports are attached at **Appendix 2**.

4.5 As can be seen in the table above, as a result of this audit five recommendations have been raised. Six Operational Effectiveness Matter has been proposed to management for consideration.

4.6 In addition to the audits above, a position statement on Environmental Sustainability. has been issued. The position statement has concluded with the following 12 suggested actions/improvements: -

- Prepare and agree a Carbon Reduction Plan for the council, including its social housing stock, investment assets, procurement (i.e. scope 3 emissions) that attaches specific measurable reductions to specific actions.
- Promote further awareness of climate change and sustainability issues amongst report writers and decision makers across the Council. Devote further resources to assist staff in understanding the climate emergency.
- Embrace the work of the Norwich Climate Commission and continue to draw on its resources, together with public consultation, to identify the actions that will be most needed and most effective in reducing carbon emissions and fuel poverty across the city
- Promote the creation of a LAEP for the city and including key development areas, such as East Norwich and Anglia Square.
- When the new Environmental Programme (2024-2030) is published, take the opportunity to update web pages with links on the home page and encourage feedback from residents.
- Prioritise action and resources in the areas of on-road transport and residential housing, including the Council's own HRA stock.
- Within the proposed Environmental Programme, select and maintain a consistent baseline for evaluating historic achievements and targeting future reductions in CO2e emissions.
- Identify and evaluate KPIs covering CO2e related activity across the Council and set meaningful targets that can be consistently measured and monitored.
- Continue with the strong focus on both environmental and biodiversity sustainability. Update net-zero action plans with clear measurable targets, matched with funded actions and timelines to achieve specific emissions reductions.
- Summarise actions within the Carbon Reduction Plan, to make it accessible and meaningful as a communications tool and a set of targets against which its actions can be measured and evaluated over the coming years.

- Review the structure of the Environmental Strategy Team, to help ensure the effective delivery of the service, and help the Council realise additional benefits, including financial savings, economic development and greater compliance with UK government requirements.
- Consider further consultation and engagement with senior managers within the Council to embed the philosophy of sustainability across all services and to identify foreseeable issues that may delay the Council's plans.

5. FOLLOW UP OF AGREED AUDIT RECOMMENDATIONS

- 5.1 In addition to providing the Committee with the performance of internal audit relative to its plan, the Public Sector Internal Audit Standards also require the Chief Audit Executive to establish a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action.
- 5.2 To comply with the above this report includes the status of agreed actions.
- 5.3 As a result of audit recommendations, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Contractor on a regular basis and reported through to the Committee. Verification work is also undertaken for those recommendations that are reported as closed.
- 5.4 **Appendix 3** to this report shows the details of the progress made to date in relation to the implementation of the agreed recommendations. This appendix also reflects the year in which the audit was undertaken and identifies between outstanding recommendations that have previously been reported to this Committee and then those which have become outstanding this time round. A total of 55 (six urgent, 30 important and 19 needs attention) recommendations are currently outstanding. A further 10 recommendations are not yet due for completion.
- 5.5 **Appendices 4, 5, 6 and 7** provide the committee with details of all outstanding urgent priority recommendations, and important recommendations that are overdue by the year in which they were raised. Management responses and a new deadline have been indicated for each where possible.

6. PROPOSAL

- 6.1 The Audit Committee are requested to receive the Progress Report. In doing so the Committee is ensuring that the Internal Audit Service remains compliant with professional auditing standards.
- 6.2 The Audit Committee are asked to receive the position in relation to the completion of agreed audit recommendations.

7. RECOMMENDATIONS

- 7.1 That the Audit Committee receive the final report on progress in relation to the completion of the Internal Audit Plan for 2023/24.
- 7.2 That Audit Committee discuss the position in relation to the completion of agreed internal audit recommendations as at 31 March 2024.

APPENDIX 1 – PROGRESS IN COMPLETING THE AGREED AUDIT WORK

Audit Area	Audit Ref	No. of days	Revised Days	Days Delivered	Status	Assurance Level	Recommendations				Date to Committee
							Urgent	Important	Needs Attention	Op Matters	
Quarter 1											
Housing Benefits	NC2310	15	15	15	Final report issued on 22 September 2023.	Reasonable	1	0	3	1	Oct-23
Planned Maintenance - Investigation	NC2414	10	15	15	Final report issued 30 January 2024	N/a	0	0	0	0	Mar-24
Anti-Social Behaviour	NC2416	12	12	12	Final report issued on 3 August 2023.	Reasonable	0	8	0	0	Oct-23
TOTAL		37	42	42							
Quarter 2											
Information Security and Data Compliance	NC2403	12	12	12	Final report issued on 25 September 2023.	Reasonable	0	2	6	4	Oct-23
Procurement and Contract Management	NC2405	15	15	15	Final report issued 24 January 2024	Reasonable	0	3	1	2	Mar-24
Income - cash and bank	NC2408	10	10	10	Final report issued 10 January 2024	Substantial	0	3	4	1	Jan-24
Business Continuity and Emergency Planning	NC2410	10	10	10	Final report issued 7 November 2023.	Reasonable	0	2	3	0	Jan-24
Housing Repairs and Void Management - NCSL	NC2415	15	15	5	APM issued on 30 January 2024, audit started on 11 March 2024.						
Disabled Facilities Grants	NC2418	10	10	8	Draft report issued on 6 February, awaiting client responses.						
Parking and Civil Enforcement	NC2420	12	12	8	Report being drafted.						
Environmental Sustainability	NC2421	10	10	10	Final report issued 5 February 2024	Position Statement	N/a	N/a	N/a	N/a	Mar-24
TOTAL		94	94	78							

Quarter 3												
Risk Management	NC2402	10	0	0	Deferred to 2024/25							
Council Tax and NNDR	NC2409	15	15	15	Final report issued 1 March 2024	Reasonable	0	1	0	4	Mar-24	
Housing Compliance	NC2413	20	20	13	APM issued on 21 February 2024, fieldwork in progress.							
Housing Needs, Allocations, Homelessness and Housing Register	NC2417	12	12	2	APM issued on 15 February 2024, audit started on 15 March 2024.							
Customer Contact Team	NC2423	12	12	7	APM issued 19 October 2023. Fieldwork in progress.							
TOTAL		69	59	37								
Quarter 4												
Staff Wellbeing	NC2312	12	0	0	Deferred to 2024/25							
Corporate Governance	NC2401	10	10	2	Audit being scoped.							
Key Controls and Assurance	NC2404	15	15	2	Audit being scoped.							
Accountancy Services	NC2406	16	0	0	Deferred to 2024/25							
Accounts Receivable	NC2407	10	10	2	APM issued March 24, audit to start 15 April 2024.							
Private Sector Housing Enforcement	NC2411	12	12	6	APM issued on 6 February 2024., Fieldwork in progress.							
Non-Housing Capital Programme Management	NC2412	12	12	2	Deferred to 2024/25							
Equalities	NC2422	10	0	0	Deferred to 2024/25							
Waste Management - Biffa Contract	NC2419	10	10	5	APM issued on 22 January 2024. Fieldwork in progress.							
TOTAL		107	69	19								
IT Audits												
Starters, Movers, Leavers	NC2424	10	10	8	APM issued 5 October 2023. Fieldwork in progress.							
Application Audit - CRM	NC2425	10	0	0	Deferred to 2024/25							
TOTAL		20	10	8								
Follow Up												
Follow Up	N/A	16	16	16								
TOTAL		16	16	16								
TOTAL		343	290	200			1	19	17	12		
Percentage of plan completed				69%								

APPENDIX 2 – EXECUTIVE SUMMARIES 2023/24

NC2414 Investigation – Planned Maintenance Contracts Procurement (Eastern Procurement Limited Contracts)

Conclusion

This review has not found any evidence to support the allegations that have been made or to show that the Council has not followed their own Contract Standing Orders when procuring contracts through EPL frameworks.

- Of the 19 contract procurement files tested, appropriate and complete information was provided in all cases to demonstrate that the Council's procurement rules, and Contract Standing Orders had been complied with.
- There was no evidence noted of contract award procedures being amended in the tender process that subsequently precluded certain contractors from being awarded works.
- Where relevant, there was evidence of EPL providing a report setting out the most suitable contractor following their evaluation against the framework. However, there was not always details of the analysis carried out by EPL against the framework, so no opinion has been provided on this process.
- There was evidence to show the Framework contractor selection being challenged by the Contract Team / approving officer and there was evidence on all files of a submission of a report to the Cabinet that gave an estimate of the expense and seeking approval to award or there was a delegated authority to award a contract evident.
- Analysis of the complete contracts register did not identify any matters that suggest wider concerns regarding the more frequent use of specific (named) suppliers could be substantiated.

Further Action Required

The review did not identify any additional matters which did not form part of the original scope.

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The audit has sought to provide assurance over the following key risk:
 “Financial loss and reputational risks due to not achieving value for money and not complying with procurement legislations”.

SCOPE

Strategic risks have been raised relating to contract failure and poor procurement. An assurance audit in this area has not been carried out since 2019/20. This audit has evaluated compliance with the Council's Contract Standing Orders and the Public Contract Regulations.

KEY STRATEGIC FINDINGS

- The Contracts Register is published on the Council's website but without a date to evidence it is published on a quarterly basis. There is also a need to ensure that it fully complies to the Transparency Code 2015.
- The Council completes a periodic sample review of purchase orders against contracts registers and Procurement Notification Forms against their procurement processes. A regular review of aggregated spend would further improve controls over compliance with Contract Procedure Rules and the requirement to publish all contracts with a value greater than £5k.
- The Contract Management Framework in place is currently not enforced. Until the national guidance is updated and the Framework amended as necessary, the Framework should be reviewed regarding the expectations contract managers need to follow now and how it will be enforced on a corporate basis.
- One further recommendation has been raised relating to the review of active users on the procurement system.

GOOD PRACTICE IDENTIFIED


- The exemption register lists all requested exemptions and if they were granted or not. This enables the analysis of trends and possible training needs.
- Social value and environmental sections have been implemented into business cases and various templates including procurement reports, specifications and invitations to tender.

ACTION POINTS

Urgent	Important	Needs attention	Operational
0	3	1	2

Executive Summary - NC2409 Council Tax and National Non-Domestic Rates (NNDR)





OVERALL ASSESSMENT





ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Assurance was provided over risk to Council Tax and NNDR maximum recovery

KEY STRATEGIC FINDINGS

-  There is a high number of individuals with access to the Revenues system and applications do not go through the Revenues Department.
-  There is no official review process for procedure document updates but these are completed when there is a procedural or legislation change.
-  There is a high number of Council Tax (CTAX) credit balances (8,876 totalling £1,048,133) and low resources to resolve them.
-  Compliance testing identified that controls are working effectively.

GOOD PRACTICE IDENTIFIED

-  New staff members are subject to 100% QA checks.
-  All staff members are trained in all aspects of the Revenues process to ensure that all job roles can be completed during staff absence.

SCOPE

These key financial systems feed into the Head of Internal Audit Opinion and Statement of Accounts and require regular review to confirm the adequacy and effectiveness of controls.

ACTION POINTS

Urgent	Important	Needs Attention	Operational
1	0	0	4

APPENDIX 3 – STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS

Audit Year	Audit Name	1	2	3
2020/21	TPR-Equality Duties			1
	TPR-Payroll		1	
	Total		1	1
2021/22	TPR-Accounts Payable		2	
	TPR-Environmental Services Audit of NCSL Contract 21/22		2	
	TPR-Health & Safety		4	1
	TPR-Off Payroll Working Compliance			2
	TPR-Risk Maturity Assessment		2	
	Total		10	3
2022/23	Anti Fraud and Corruption			1
	Buildings at Risk		1	
	Garden Waste Service		1	
	Housing Benefits	1		1
	Key Controls and Assurance	4		2
	Leasehold Management		1	2
	Leisure			1
	Markets		4	1
	Payroll			2
	Safeguarding	1	1	1
	Trees and Playground Equipment		2	1
	Total	6	10	12
2023/24	Anti Social Behaviour		6	
	Income - cash and bank		3	3
	Total		9	3
Total		6	30	19

The following audits in the table above had a 'limited' assurance opinion: -

- Environmental Services 2021/22
- Health and Safety 2021/22
- Safeguarding 2022/23
- All the other audits had a 'reasonable' assurance opinion.

APPENDIX 4 – OUTSTANDING ‘URGENT’ INTERNAL AUDIT RECOMMENDATIONS – ALL YEARS

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Safeguarding 22/23	<p>1. It is suggested that a review of roles requiring a DBS check is carried out as a priority, with referral to the DBS for advice, if required, to determine legal eligibility, with non-responsive services escalated to SLT. Results of the review to inform a formally agreed Corporate Policy for initial and renewal checks.</p> <p>2. Assurance to be provided to SLT that all checks required are completed or brought up to date, with evidence of completion retained.</p>	Urgent	Dawn Bradshaw, Head of HR and OD	31/07/2023	N/A	Outstanding	<p>Internal Audit have confirmed No.1 of the recommendation.</p> <p>5 Mar 24 -A report on the position of DBS checks has been run from the HR system and is due to be circulated to SLT. Once implemented and evidence received, will require auditor confirmation and closure.</p>
Key Controls and Assurance 22/23	Ensure the one-off reconciliation between the housing rent system and the general ledger is completed, procedure notes are developed, and the reconciliation is carried out monthly going forward.	Urgent	Senior Finance Business Partner	31/12/2023	01/03/2024	Outstanding	10 Jan 24 - A new reconciliation has been designed to reconcile the HFI rents system output to the General Ledger. The reconciliation has been used to reconcile the first two quarters of FY 2023/24. The procedure notes for the new reconciliation process are in the process of being developed.
Key Controls and Assurance 22/23	Develop a corporate approach on the collection of debt for the Council to strengthen it and ensure processes align, especially where customers have debt in multiple areas of the Council. The policy should include the processes for write-offs and provide clarification regarding how delegated limits are to be applied to multiple concurrent write-offs for the same debtor. Once developed, provide training for relevant officers. The Council to review, update and approve financial procedures making all relevant staff aware of requirements included within. In addition, any Council Tax cases which are paused on request of Council members need to be	Urgent	Head of Finance, Audit & Risk	31/12/2023	30/06/2024	Outstanding	12 Feb 24 - The Debt Management project commenced with the discovery phase in mid-September. One of the project deliverables is to produce a Council-wide Debt Recovery policy which will include authorisation limits and a write-off policy. This will be delivered in Phase 2 of the project, which will commence after most of the as-is and to be processes are mapped. This has taken longer than anticipated and process mapping has highlighted areas where procedures had not been reviewed or updated in some service areas, and it has been imperative to ensure all debt is accounted for through the new ERP system. This has allowed the project to delve deeply into service areas, cleanse data and

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
	regularly reviewed with the reasons for continuing the pause documented.						<p>move forward with the requirements of this action. Additional resource is currently in place to help with data cleansing and debt collection and the council is starting to see the benefits. The council will also be looking to use a single contract where possible for the enforcement of all debt types. The project reports into the Corporate and Commercial Services Board and regularly updates the Senior Leadership Team. Savings have been identified and included in the MTFP. It is anticipated phase 2 will run alongside phase 1 and is likely to commence no later than June 2024. Now that the new ERP system is fully up and running, new process maps will be completed to complement the system training notes/videos prepared. The new Civica system has a single view of debt capability, however the development of this will not take place until phase 2 of that implementation, therefore there is little this action project can do to accelerate that part of the implementation plan, and the project will consider alternatives.</p> <p>A corporate approach to debt collection is now being undertaken and is monitored through the council's governance process at both operational and senior level therefore this action can be closed.</p> <p>The council has requested an audit on debt recovery once the project completes.</p>
Housing Benefits 22/23	Ensure a one-off reconciliation between the housing benefits system and the general ledger is completed, procedure notes are developed, and the reconciliation is carried out monthly going forward.	Urgent	Finance Manager (revenue) with delivery by service accountants responsible for their specific area.	31/12/2023	01/04/2024	Outstanding	12 Feb 24 - Work is in progress to design a reconciliation pulling together existing reconciliations, data sources and resourcing.

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Key Controls and Assurance 22/23	Implement system controls for supplier amendments until the new finance system goes live. For the new system, implement a monitoring control to develop and run regular reports of all supplier amendments on the system and ensure that all amendments are legitimate and have been independently checked. Risk: Weak supplier mandate controls increases the Council's risk of processing fraudulent payments.	Urgent	Exchequer Manager	31/03/2024	30/06/2024	Outstanding	12 Feb 24 - The New Financial system went live on 5th February. Processes will be embedded to mitigate the risk from supplier details being updated or added to Unit 4 that have not been verified
Key Controls and Assurance 22/23	Remove the ability to manually override authorisations on the housing system. Risk: Inappropriate approval of write offs.	Urgent	Housing Income and Rents Manager	31/03/2024	N/A	Outstanding	14 Feb 24 - Checked with IT service requests, to see if they could confirm Sarah's request has been actioned. They have not found a copy of the original one. Matthew Cushion has agreed to review a new service request with an estimated turnaround time of 10 days. Should be on track for end of March 2024

APPENDIX 5 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2020/21

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Payroll	Complete the signing of the co-operation agreement with Sefton.	Important	Head of HR and learning	31/07/2022	30.09/2022	Outstanding	The Schedule of Variations from the agreement has been provided, which includes "Addition of requirement to provide assurance statement to evidence robust controls over payroll IT systems and processes".

APPENDIX 6 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2021/22

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Risk Maturity Assessment	A risk management training programme to be developed for relevant Council staff, highlighting roles and responsibilities and give practical tips for the identification and articulation of risk.	Important	Neville Murton, Interim Head of Finance, Audit and Risk	30/09/2022	31/1/2024	Outstanding	10 Jan 24 - New Head of Finance and Head of Internal Audit to meet January 2024 to discuss and agree way forward. This will be addressed once the new Head of Internal Audit is in post by the end of December 2023.
Risk Maturity Assessment	The Risk Management Policy and Strategy to be reviewed to clarify the following points: 4.5.1 Review the wording of the updated Risk Management Policy & Strategy and ensure that it includes details about when risks should be de-escalated. 4.5.2 The council should specify responsibilities for risk control action owners.	Important	Neville Murton, Interim Head of Finance, Audit and Risk	30/09/2022	31/3/2024	Outstanding	6 Feb 24 - Policy updated but approval for SLT not expected till June 28th, hence revised target date of end July. The suite of policies the Council uses to support its approach to reducing the risk and incidence of fraud in the organisation, including whistleblowing and money laundering, will be subject to review during the year.
Accounts Payable	The council's 'No PO, no Pay' policy to be formally documented and re-launched with staff and suppliers.	Important	Neville Murton, Interim Head of Finance, Audit and Risk	31/10/2022	1/09/2024	Outstanding	6 Feb 24 - The New Financial system went live on 5th February. Processes to commence No PO policy no underway.
Accounts Payable	As part of formalising the 'No Purchase Order No Pay' policy, an 'Exceptions' List be created, listing the instances in which a PO is not required prior to purchasing.	Important	Neville Murton, Interim Head of Finance, Audit and Risk	31/10/2022	2/09/2024	Outstanding	6 Feb 24 - The New Financial system went live on 5th February. Processes to commence No PO policy no underway.
Environmental Services	An annual timetable is prepared and shared with NCSL, so that contract requirements that require reviews and documentation by either party are visible and monitored.	Important	Andy Summers, Head of Environment Services	31/07/2023	N/A	Implemented awaiting review and closure	10 Jan 24 - Implemented, awaiting auditor confirmation and closure.
Environmental Services	The Corporate Health & Safety Board to receive a Health and Safety report from NCSL and include a set of metrics for agreement. In future years to be presented and agreed in line with the provisions of the contract, which is "the Parties shall agree a set of such Metrics not more than four (4) weeks before the anniversary of the Service Commencement Date".	Important	Andy Summers, Head of Environment Services	30/04/2023	31/7/2023	Implemented awaiting review and closure	10 Jan 24 - Implemented, awaiting auditor confirmation and closure.

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Health and Safety	The Council to ensure that all reportable Health and Safety incidents/accidents and near misses from other areas of the business such as the Norman Centre and the Halls are provided to the Health and Safety Officer so that these can be included within the Council's overall statistics and reported to the H&S boards and JCNC.	Important	Sarah Ashurst, Head of Planning and Regulatory Services	30/04/2023	30/04/2024	Outstanding	06 Feb 24 - IT are developing a new reporting system which will be live on the SharePoint site. IT delays are meaning this has been delayed. Comms will be ongoing out that this is available and encourage people and train people to actually use the new system.
Health and Safety	Develop a system to ensure that the office inspections are regularly undertaken and supported by a Health and Safety trained individual. A log should be kept of outcomes and identified actions should be followed up. Consider whether to reinstate annual walkarounds with a member of Unison around City Hall. Ensure that:- A log is kept of the findings and resulting actions- Outcomes are reported to the H&S Board.	Important	Environmental Health & Public Protection Manager & Corporate Health & Safety Team Leader)	31/03/2023	31/03/2024	Outstanding	06 Feb 24 - A series of metrics for reporting to H&S Board, ELT and each Directorate is being developed which will encompass risk assessment actions and incidents. Additional resource is being recruited following the budget setting process which will release capacity for this to be undertaken.
Health and Safety	The Health and Safety officer to quarterly request data from the L&D team for the mandatory introductory e-learning H&S module. This data to be sorted by directorate and presented to H&S quarterly and CLT annually for awareness and to prompt an improvement in uptake. Overall uptake figures to be included within H&S performance statistics provided to the JCNC for monitoring.	Important	Sarah Ashurst, Head of Planning and Regulatory Services	31/03/2023	31/03/2024	Outstanding	06 Feb 24 - A series of metrics for reporting to H&S Board, ELT and each Directorate is being developed which will encompass training uptake. CH&S manager is working up a programme of e-learning with the HR L&D Officer. Once rolled out reporting will be undertaken
Health and Safety	Develop measurable objectives for improvement of H&S at the council. Such as: <ul style="list-style-type: none"> • number of reported accidents and incidents per employee • Lost time injury incidence rate • Actions taken to address/reduce in future 	Important	Sarah Ashurst, Head of Planning and Regulatory Services	31/03/2023	31/03/2024	Outstanding	06 Feb 24 - H&S Action plan in place and delivering against the requirements.

APPENDIX 7 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2022/23

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Buildings at Risk	To produce internal procedures that complement and expand upon the external policies produced by Historic England. Consideration given to the following: - Standard means of applying and documenting rationale for allocated risk level and priority- Outline process for inspections/outreach with owners, including risk-based timescales, and reference to the Heritage England guide for enforcement actions - Requirements for evidence retention and file management	Important	Sarah Ashurst, Head of Planning and Regulatory Services	31/05/2023	31/12/2023	Outstanding	6 Feb 24 - Having reviewed what any internal procedures would contain, we do not consider that they would add anything to the procedures set out by the national governing body Historic England. We are in the process of setting up a SharePoint site to hold monitoring and file information on our heritage at risk portfolio and to set out the protocol for contacting owners.
Leasehold Management	Review the method of calculating the horticultural maintenance charges to ensure full costs applicable are included in the leasehold service charges in the future.	Important	Gemma Mitchell – Housing Outcomes Manager	01/09/2023	31/08/2024	Outstanding	15/02/2024: The calculation was reviewed in advance of the 22-23 service charges and a decision made not to go for full cost recovery by increasing charges for that financial period. A review of the options will be undertaken in advance of the 23-24 service charges as to whether or not to increase leaseholder recharges and if so, to what level.
Safeguarding	When the mandatory safeguarding adults and safeguarding children courses have been updated, management to implement monitoring controls going forward to ensure mandatory e-learning courses and renewals at defined intervals are completed by relevant staff.	Important	Dawn Bradshaw, Head of HR and OD	31/07/2023	N/A	Outstanding	Communication to workforce to complete mandatory e-learning by 31 July 2023. Report to be provided to share with SLT re last stats of those completed/outstanding. Comment audit: Requested report to CLT and date to determine if recs is completed or not. No response as 29/08.
Trees and Playground Equipment	Management should discuss with NCSL the adoption of the dedicated Ezetreev module to manage tree work orders.	Important	Andy Summers, Head of Environment Services	31/07/2023	31/03/2024	Outstanding	12 Jan 24 – Incomplete. Work still ongoing with Ezytreev and NCSL. Aim to have complete by 31.3.24
Trees and Playground Equipment	Management to clarify and confirm the responsibility for undertaking tree inspections in council owned residential and commercial properties and ensure that appropriate risk assessments are undertaken.	Important	Andy Summers, Head of Environment Services	31/03/2023	31/03/2024	Outstanding	15 Feb 24 - To be concluded in new policy currently being reviewed by external consultant.

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Markets	Formalise the debt recovery process, including creating a written procedure, to ensure a consistent process is followed.	Important	Head of Environment Services	31/03/2024	N/A	Outstanding	15 Feb 24 - The service has been working with the debt recovery panel to establish the required process. In the meantime, a more robust approach to debt management has resulted in 3 stalls being repossessed and approximately £0.04m in aged debt being recovered. This action will be complete by 31st March 2024.
Markets	Maintain a record of gas and electrical safety checks for stalls	Important	Head of Environment Services	31/03/2024	N/A	Outstanding	15 Feb 24 - Fire risk assessments complete and about to be reviewed. Gas and electrical assessments have been requested from stallholders and programme of approval in place as part of refreshed approach to management of leases. Control of contractors procedure in place for external contractors carrying out work on behalf of stall holders. Internal risk assessments being developed by markets team for all health and safety hazards on the market.
Markets	Create a Norwich City Council Market risk register to capture all the risks that are facing the service, which includes associated mitigations.	Important	Head of Environment Services	31/03/2024	N/A	Outstanding	15 Feb 24 – An initial risk register has been developed as part of an Outline Business Case for the Market Strategy. Final, complete version to be in place for 31 March 2024.
Markets	Review the action taken on current arrears and consider whether future action could be taken to improve recovery of historic debts.	Important	Head of Environment Services	31/03/2024	N/A	Outstanding	15 Feb 24 - The service has been working with the debt recovery panel to establish the required process. In the meantime, a more robust approach to debt management has resulted in 3 stalls being repossessed and approximately £0.04m in aged debt being recovered. This action will be complete by 31st March 2024.
Garden Waste	The Council to ensure that contractually required joint inspections are taking place weekly.	Important	Head of Environment Services	31/12/2023	N/A	Implemented awaiting review and closure	10 Jan 24 - Complete 12.1.24. Implemented, awaiting auditor review or evidence and closure.

APPENDIX 8 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2023/24

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Anti-Social Behaviour	Management to promptly analyse the results of Post-Closure Complainant Satisfaction Surveys and develop an Action Plan to address the key concerns identified.	Important	Bob Granville, Interim Head of Housing & Community Safety	30/09/2023	30/06/2024	Outstanding	11 Jan 24 – Action Plan remains under review by Director of Housing.
Anti-Social Behaviour	Management to develop an Action Plan to facilitate delivery of key supporting elements to the revised Anti-Social Behaviour Policy in a controlled and effective manner.	Important	Bob Granville, Interim Head of Housing & Community Safety	31/08/2023	30/06/2024	Outstanding	11 Jan 24 – Action Plan remains under review by Director of Housing.
Anti-Social Behaviour	Management to review the appropriateness of current key performance measures, ensuring they are aligned with the revised Anti-Social Behaviour Policy.	Important	ASB Manager	30/11/2023	30/09/2024	Outstanding	11 Jan 24 - Civica D360 has been delayed by at least a further 6 months which has impacted these plans. Over 8- day report is being produced and checked. Suggest revised due date 31.08.2024 for remainder of reporting, however KS is investigating what can be easily implemented in meantime.
Anti-Social Behaviour	Management to promptly issue the revised the Anti-Social Behaviour Policy, including appropriate reference to the requirements of The Charter for Social Housing Residents (Social Housing White Paper), and ensure that supporting process documentation reflects the revised Policy	Important	Community safety manager	31/10/2023	30/06/2024	Outstanding	11 Jan 24 - ASB Policy not yet approved. Consultation completed, with few suggestions for improvement and will now go to Cabinet in June.
Anti-Social Behaviour	Management to introduce a formal, monthly, quality checking process with results documented and fed back to team members for development purposes	Important	ASB Manager.	31/10/2023	30/03/2024	Outstanding	11 Jan 24 - Team Leaders are piloting quality checks across team. Period extended to allow for sufficient numbers to ensure fit for purpose
Anti-Social Behaviour	Management to develop appropriate management reports, and introduce evidence, monthly checking of such reports.	Important	ASB Manager	31/01/2024	30/09/2024	Outstanding	14 Feb 24 - Civica D360 has been delayed by at least a further 6 months which has impacted these plans. Over 8- day report is being produced and checked. Suggest revised due date 31.08.2024 for remainder of reporting, however KS is investigating what can be easily implemented in meantime.

Audit	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Income – cash and bank	Complete the BIA and BCP and get it signed off. Ensure relevant cash and cheque handling/storage is included.	Important	Head of Finance	31/03/2024	N/A	Outstanding	No response received yet.
Income – cash and bank	Management to escalate the timeliness of delivery to the Royal Mail, in accordance with existing agreements in place.	Important	Chief Finance Officer	31/03/2024	N/A	Outstanding	No response received yet.
Income – cash and bank	Complete an immediate review of staff access to restricted rooms and implement a process to regularly review staff access to restricted rooms to ensure only appropriate staff have access.	Important	Head of Finance	31/03/2024	N/A	Outstanding	No response received yet.