

AUDIT REPORTS ISSUED BETWEEN 1st FEBRUARY 2023 & 31st MAY 2023

Asset Stock Management

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • Stock condition data should be periodically verified to ensure its continued accuracy. • A comprehensive record of assets should be maintained. • An appropriate Asset Management Strategy/Plan should be maintained. 	<ul style="list-style-type: none"> • The Concerto Asset Management system has now been fully implemented.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Stock Condition Surveys			1			
Recording of Assets			1			
Asset Management			1			1
Budget Monitoring					1	
Income					1	
Total			3		2	1

Alliance Norse Governance

Assurance Level

Assurance: LIMITED

It is our opinion that controls currently in place within the system provide limited assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • A Commissioning Board should be established to meet at least quarterly to consider all issues presented to it concerning the performance of Alliance Norse Limited. • The initial Business Plan should be updated to include all relevant information and targets for the 2022/23 financial year. • The Business Plan should be updated to include key risks and mitigation plans of the joint venture. In addition a formal risk management process should be introduced. • In accordance with Schedule 3 of the Service Agreement, a list of assets and equipment utilised in the provision of the service should be documented and agreed between all parties. 	<ul style="list-style-type: none"> • The development of the joint venture partnership was considered alongside other delivery methods prior to receiving member approval. • Formal legal agreements have been compiled and signed by all relevant parties.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Information Asset Register					1	
Commissioning Board			1			
Business Plan			1			
Risk Management			1			
Share Issue					1	
Key Performance Indicators					1	
Assets			1		1	
Total			4		4	

ICT Contract Management

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> Minutes of the Commissioning Board meetings should be recorded to ensure that there is an adequate record of the issues discussed and any actions agreed. 	<ul style="list-style-type: none"> A revised contract has been agreed with NEC Software Solutions for the provision of Information and Communication Technology Support Services. A commissioning board has been established to monitor key performance indicators. Service charges were in accordance with the agreed contract.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Management Information					1	
Key Performance Indicators					2	
Commissioning Board			1			
Total			1		3	

Development Control Section 106

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> Completion Memos should be issued to all relevant officers upon completion of each Section 106 agreement, to ensure that the necessary actions are undertaken and the Council is fulfilling its obligations. 	<ul style="list-style-type: none"> There is now a dedicated member of the Planning Team responsible for monitoring Section 106 agreements. A ten year record of Section 106 agreements has been developed to enable robust monitoring of trigger points. This record has been reconciled to the records held by the Legal Team and the ILAP system.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Procedure Notes					1	
Infrastructure Funding Statement					1	
Completion Memos			1			
Section 106 Monitoring Fees					1	
ILAP System					1	
Information Asset Register					1	
Total			1		5	

Regeneration

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> The file structure relating to the Future High Street Fund should be reviewed to ensure that all relevant documents regarding the management and monitoring of the project are adequately stored and easily traceable. 	<ul style="list-style-type: none"> Project roles and responsibilities are appropriately allocated, and specialist advice requested where necessary. Grant claim forms were found to be accurate, promptly completed and supported by relevant evidence. Signed agreements were in place for all projects reviewed.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Information Asset Register					1	
Project Documentation			1		4	
Transformation Board					1	
Growth Strategy					1	
Total			1		7	

Treasury Management

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> The current procedure for gaining retrospective authorisation from the Chief Executive for transactions such as investments and interest payments, should be reviewed to ensure compliance with Financial Regulations and Procedure Rules. 	<ul style="list-style-type: none"> The Alliance has operated a balanced budget; cash flow has been adequately planned; and funding has been available for capital plans. Investment activity has increased to more normal levels during 2022/23, due to greater stability within the global market.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Financial Regulations & Procedure Rules					1	
Retrospective Authorisations			1			
Total			1		1	

Council Tax

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> Procedures should be developed to ensure that upon completion, all new build properties are physically inspected, issued with a completion notice (where applicable) and registered with the Valuation Office. The council tax cash reconciliation and control fund reconciliation undertaken by the Finance Team should be brought up to date as soon as possible with any variances being adequately investigated. 	<ul style="list-style-type: none"> Valuation Office records are regularly and promptly reconciled to the Civica system. The annual bills produced were found to have been successfully reconciled. Suspense accounts are regularly reviewed and cleared.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Discounts & Exemptions			1		2	
Valuation Office Amendments					1	
System Access					1	
Reconciliations			1			
Single Person Discounts					1	
Total			2		5	

National Non-Domestic Rates

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • A documented procedure for the inspection of business rate properties should be developed and implemented using a risk based methodology. • The NNDR cash reconciliation and control fund reconciliation should be brought up to date as soon as possible with any variances being adequately investigated. 	<ul style="list-style-type: none"> • Parameters had been correctly set within the system for the 2022/23 billing year. • A sample of reliefs awarded were found to have been correctly applied and where necessary supported by sufficient documentation.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Inspection/Review of Business Premises			1			
Alliance Owned Properties					1	
<u>Reconciliations</u>			1			
Business Rates Relief					2	
Valuation Office					1	
Total			2		4	

Recovery

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none">• All accounts allocated with inhibit/query codes should be promptly reviewed to ensure that sufficient action is being taken to recover the debt.• Approval for the write-off of all Council Tax and NNDR accounts allocated with a write-off inhibit code should be sought as soon as possible.	<ul style="list-style-type: none">• Collection rates are on track to meet the performance targets set for 2022/23.• Written agreements are in place for the use of bailiff services.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Policies and Procedures					1	
Aged Debt Analysis					1	
Suppression of Recovery Action			3			
Bailiff Services					1	
Write-Offs					1	
Total			3		4	

Payroll

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none">Employee overtime payments should only be made following the receipt of appropriately completed and authorised documentation.	<ul style="list-style-type: none">Payroll data is reconciled monthly by a member of Finance staff, independent of the Payroll Section. Any changes to individual salaries from the previous month are reviewed as part of this process.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Information Asset Register					1	
MyView Payroll System					2	
Overtime Payments			1			
Total			1		3	

Creditor Payments

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> The procedure for internally generated payments and use of expenditure forms should be reviewed to ensure that the procedure is robust, secure and controlled to avoid duplicate submissions to the Creditors Team. 	<ul style="list-style-type: none"> Payments made via the purchase ledger are regularly reconciled to the Creditors control account. A walkthrough test of the final payment run of 2022/23 for each authority, showed that payments made agreed to the value of invoices input. For a sample of payments reviewed, all had been coded to the correct budget code.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Purchase Cards					2	
Duplicate Payments			1			
Credit Notes					1	
Cheques					1	
Total			1		4	

General Ledger

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> All journals currently in the 'pending' folders should be reviewed and authorised as soon as possible. A periodic reconciliation should be undertaken to ensure that all journals processed have been documented, submitted for approval and satisfactorily authorised on the Integra system using the diary entry function 	<ul style="list-style-type: none"> The year end bank reconciliation was carried out promptly. Suspense items are cleared promptly. Balances are accurately rolled forward as part of the year end process.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Journals			2			
Year End Closedown Timetable					1	
Bank Reconciliation					1	
Total			2		2	

Housing Benefits

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • The reasons for accepting a request to backdate benefit should be adequately recorded and attached to each claim. • The management check of new claims and changes of circumstance should be reintroduced with retrospective checks undertaken on claims processed since December 2022. • The processing of Bacs transmissions should be subject to an appropriate segregation of duties. 	<ul style="list-style-type: none"> • Additional information sources are now available to assist in the recovery of overpayments. • Reconciliations with the Housing Rents and Council Tax systems are regularly undertaken.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Document Retention					1	
Performance Indicators					2	
Backdated Claims			1			
Management Checks			1			
Claims Processing					1	
Information Asset Register					1	
Bacs Transmissions			1			
Accuracy Award Initiative					1	
Total			3		6	