High Importance Recommendations

Audit Title (Director)	Summary of Finding and Recommendation	Management Response	Action Date (by end of)	Confirmed Implemented
Reported November 2014				
Integrated Adults System (IAS) project phase 2 (A&C)	The audit revealed there was need for immediate improvements to some areas of the project specifically around scoping requirements, determining processes, and resource identification and planning. Recommended: - 1. clear criteria be established for the prioritisation of tasks, 2. development of a detailed resource plan, 3. regular updating of the project control records 4. undertaking a 'gap analysis' to determine processes that still need to be developed Management agreed that a formal re-planning exercise involving key stakeholders would be formally signed off as a matter of urgency. This will also take into account key tasks still outstanding from Phase 1. Once phase 2 priorities have been finalised a detailed resource plan will be developed and the PID updated to reflect this.	**Agreed** **(see previous column for detail)**	**December**	

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Audit Title (Director)	Summary of Finding and Recommendation	Management Response	Action Date (by end of)	Confirmed Implemented
Reported November 2014				
Sponsored Academies - Revenue & Capital Implications (C&FS/CR)	**The LA has ongoing responsibilities under legislation, part of which is to ensure that schools remain 'fit-for-purpose' from an infrastructure aspect and business continuity risks are appropriately managed. However, on-going role of the LA post-conversion with regard to the physical state of an academy's buildings is not clearly defined.**			
	Recommended that the ongoing responsibilities of LCC as the landlord should be defined	**Agreed**	**January 2015**	
	A system of prioritisation is used, based on condition surveys and other intelligence, to determine which capital works will be funded centrally (e.g. those relating to health & safety or serious structural issues). With regard to schools undergoing imposed sponsored academy conversion there will be negotiation with the potential sponsor surrounding their expectations that any immediate capital works are completed at the LA's expense and prior to conversion. Without completion, there is a risk that the sponsors will find schools financially unattractive to sponsor.			
	Recommended that a clear strategy should be developed by C&FS and CR (Property Services), endorsed by the Corporate Schools' Group, setting out the process to be followed in determining what capital works will be LA-funded.	**Agreed**	**January 2015**	

Reported May 2014					
Decommissioning of SSIS the previous case management system (C&F)	C&F Management Team has accepted advice from Legal Services to retain all data recorded on the former electronic case management system (SSIS). This is because it is not practical to physically go through thousands of children's records, and make a judgement on what should or should not be retained, given the limited resource of staff that are 'qualified' to make such decisions. The risk with retaining all C&F (electronic and paper) records is that the Authority could be breaching the Data Protection Act by retaining records for longer than required. Legal Services' view is that any fines for not retaining data when it should be retained for example in litigation, would be greater than if data is kept securely for longer than required. It is recommended that the risk (to cover electronic and paper) should be escalated to CMT and if accepted should be included in the Corporate Risk Register.	A	September 2014	Yes

Reported May 2014				
'M-Star' – Managed Service For Temporary Agency Resources (CR)	'Off contract' spend on agency staff remained high and if the levels continued then projected savings would not be achieved. In addition, the volume of agency worker timesheets that were auto-approved (i.e. if they hadn't been approved by the relevant manager after a certain time) was high (almost 20%), increasing the risk of errors and perhaps fraud. Recommended: - 1. Proactive periodical analysis by Procurement team and pass to business HR and Finance teams to drive more conformity 2. Establish targets and thresholds for auto approvals and investigate those falling outside them	A At the time of final report some progress had already been made	Originally July 2014 Extended to Oct. 2014 **Corporate HR has further analysed off contract spend data and auto approvals. The results were reported to CMT in October, where it was agreed that further analysis was required for all departments to enable robust challenge to take place surrounding any non-compliance.** **HR is now engaging individual DMTs to ensure that there is sufficient 'tone from the top' with regard to both of the issues.** **CR DMT is assisting, promoting messages on completing approvals, minimum auto approvals and decreasing levels of off-contract spend** **Extend from October 2014 to January 2015**	

Reported November 2013				
Pension Fund contribution 'bands' (Pension Fund)	Each year the Department for Communities & Local Government set the contribution bandings for the Local Government Pension Fund. These come into effect each April, hence payrolls have to be revised to reflect the new bandings. EMSS payroll staff should check that the changes have properly occurred. The audit revealed that a report designed to assist this task was inadequate and also that due to work load and time constraints no checks were undertaken on one payroll and only a random sample on another. This could impact on both employee and employer contributions and have reputation damage. Recommended: - 1. that the report should be reconfigured 2. a framework for sample testing should be agreed and implemented to cover future pension banding changes.	A	Originally Sept. 2013 Extended to June 2014 Extended to Oct. 2014 1. The report was produced **2. The newly appointed Head of EMSS has agreed to develop and finalise the framework with the two partners.** **LCCIAS will confirm progress at the end of December.** **Nottingham City Internal Audit will confirm that agreed sample checks are undertaken as part of their EMSS audits** **Extend from October to December 2014**	1. Yes 2. **Pending**

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Reported February 2013				
Employee annual leave recording (CHR)	Oracle Self-Service was not being used by all eligible staff to request and record annual leave, instead they were relying on traditional and familiar methods. This was partly due to operational management not enforcing usage based on uncertainty that the module was "fit for purpose". A range of potential risks were identified including inefficiency and inconsistency created by continuing use of traditional methods, inability to calculate total unused leave for financial reporting requirements and a risk to reputation should EMSS seek to roll out its Oracle functions and add new partners. Recommended a strategic decision was taken whether to instruct that the use is mandatory or defer, awaiting full confidence in the application and its accuracy.	Agreed in principle subject to: - Certain staff groups needing to be excluded; Development of recording leave by hours rather than days.	Originally March 2013 Extended to Jan. 2014 Extended to Mar. 2014 Extended to Oct 2014 **The audit is concluded but findings need to be discussed with management** **Extend from October 2014 to December 2015**	

'On hold' pending new internal audit work

Reported February 2012				
Developers Contributions (Section 106) (CEx) in conjunction with all departments	Departmental records have not been consistent in providing a clear trail of income and expenditure. Recommended: - 1. Monitoring income and expenditure to project time-spans and purpose intended 2. validating the accuracy of individual record content as it was migrated onto the new database 3. department 'links officers' reporting to a central coordinator	A	March 2012 Agreed to extend to April 2013 **Suspended June 2013**	1. Met 2. Data migration errors have now been addressed. Work underway on validation checks and introducing systems to capture spending data. 3. Not met
Developers Contributions (Section 106) (CEx) in conjunction with all departments	Once the S106 has been agreed the responsibilities for co-ordinating and monitoring income and expenditure relating to the administration of developers' contributions against the Section 106 are fragmented. Recommended establishing a time limited working group to produce agreed procedures.	A	February 2012 Agreed to extend to April 2013 **Suspended June 2013**	Partly met A group is established but await the data migration cleansing to finalise methodology.
Developers Contributions (Section 106) (CEx)	The Statement of Requirements for Developer Contributions clearly states how the County Council aims to ensure efficiency and transparency in the handling of developer contributions, but formal monitoring reports had not been produced to aid those aims. Recommended a review and decide on which (and to who) reports should be produced.	A	March 2012 Agreed to extend to April 2013 **Suspended June 2013**	Not yet in place

Key to management response

A=Recommendation agreed; M=modified recommendation agreed; D=Assumed agreed; X=Not agreed

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