
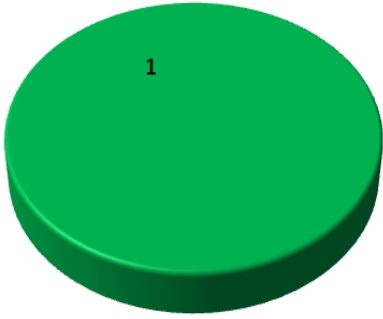

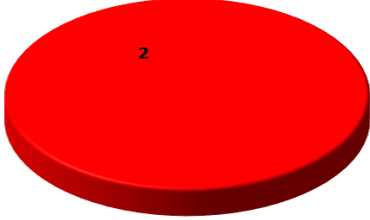


Hempshill Hall Primary Executive Summary

<p>Company : Hempshill Hall Primary & Nursery School</p> <p>Date of Review: 15 March 2017</p> <p>Summary: We consider that the arrangements in place within the school are satisfactory and provide sound systems of control. Only one low recommendation has been made in this report and it can be noted that overall the School has very good financial management in place.</p>	<p>Overall Opinion High Assurance</p> <p>Direction of Travel: Previous Audit Report 11 March 2014 Significant Assurance</p>	
<p>Scope and Approach: The scope of this review was limited to;</p> <p style="padding-left: 40px;">Leadership & Governance, People Management, Policy & Strategy, Processes, Purchasing, Invoice Processing, Banking Arrangements, School Fund, Income, Single Status, School Website. School Meals</p>		
<p>High Priority Recommendations:</p> <p>None to report</p>	<p>A summary of the recommendation priority is shown below:</p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> <p><u>Summary of the recommendations by priority</u></p>  <p>■ High ■ Medium ■ Low</p> </div>	

Nottingham Nursery School

Executive Summary

<p>Company : Nottingham Nursery School</p> <p>Date of Review: 14 March 2017</p> <p>Summary: We consider that the arrangements in place within the school are satisfactory and provide sound systems of control. Whilst two recommendations have been made in this report, it was noted that overall the School has very good procedures in place.</p>	<p>Overall Opinion Significant Assurance</p> <p>Direction of Travel: Previous Audit Report 24 April 2014 Significant Assurance</p>	
<p>Scope and Approach: The scope of this review was limited to;</p> <p style="padding-left: 40px;">Leadership & Governance, People Management, Policy & Strategy, Processes, Purchasing, Invoice Processing, Banking Arrangements, Income, Single Status, Website</p>		
<p>High Priority Recommendations:</p> <p>R1 The Financial Administration and Control Policy should be presented to Governors annually to be reaffirmed and this should be recorded in the minutes of the Governor's meeting.</p> <p>R2 All affected staff should record the number of hours worked. These should be regularly checked by an independent person</p>	<p>A summary of the recommendation priority is shown below:</p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> <p>Summary of the recommendations by priority</p>  <p>■ High ■ Medium ■ Low</p> </div>	

Westglade Primary

Executive Summary

Company : Westglade Primary & Nursery School

Date of Review: 23 March 2017

Summary: We consider that the arrangements in place within the school are satisfactory and provide sound systems of control. Whilst five recommendations have been made in this report, it was noted that some of the recommendations made are of minor points and that overall the School has very good financial management in place.

Overall Opinion

Significant Assurance

Direction of Travel:

Previous Audit Report 29 April 2014
Significant Assurance



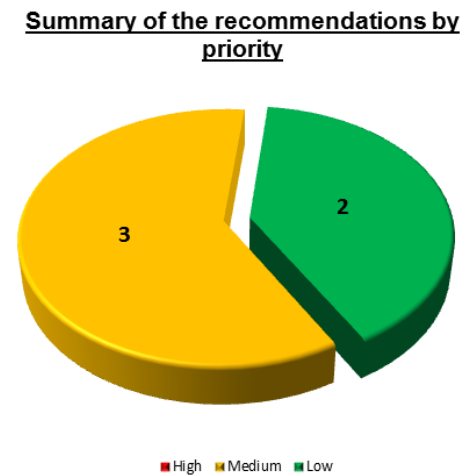
Scope and Approach: The scope of this review was limited to;

Leadership & Governance, People Management, Policy & Strategy, Processes, Purchasing, Invoice Processing, Banking Arrangements, School Fund, Income, Single Status, Website

High Priority Recommendations:



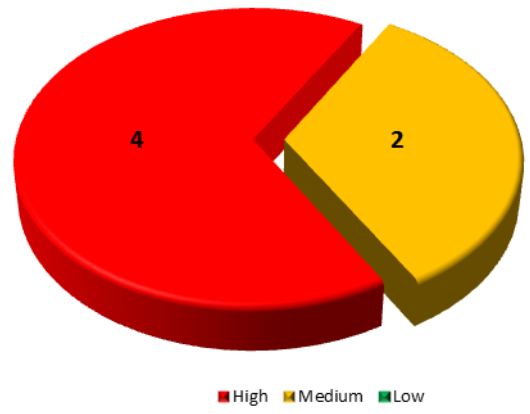
None to report

A summary of the recommendation priority is shown below:





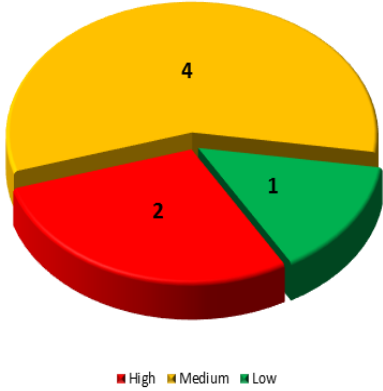
Catering – School Meals

Executive Summary

<p>Organisation: Nottingham City Council Directorate: Commercial and Operations</p>	<p>Overall Opinion: Limited Assurance </p>									
<p>Previous review: This area has not been subject to a previous review.</p>	<p><u>Scope and Approach:</u> The scope of this audit covered the following :- Income collection in respect of school meals.</p>									
<p>High Priority Recommendations</p>										
<p>R2 A periodic reconciliation should be carried out to ensure that all income due to the service is being received.</p>	<div data-bbox="1456 542 2172 1141"> <p style="text-align: center;"><u>Summary of the recommendations by priority</u></p>  <table border="1"> <caption>Summary of the recommendations by priority</caption> <thead> <tr> <th>Priority</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>High</td> <td>4</td> </tr> <tr> <td>Medium</td> <td>2</td> </tr> <tr> <td>Low</td> <td>0</td> </tr> </tbody> </table> </div>		Priority	Count	High	4	Medium	2	Low	0
Priority			Count							
High			4							
Medium			2							
Low	0									
<p>R3a The Service should implement a process for recharging of schools that ensures that accurate and prompt charging takes place.</p>										
<p>R3b Work should be undertaken to calculate the exact value of the undercharges and make appropriate charges to the schools concerned.</p>										
<p>R4 An exercise should be undertaken to estimate the number / value of meals that would attract VAT and this VAT should be accounted for appropriately. Evidence should be retained to provide to HMRC should justification for this method be required.</p>										


Parking Services 2017/18

Executive Summary

<p>Organisation: Nottingham City Council Directorate: Neighbourhood Services</p>	<p>Overall Opinion: Significant Assurance </p>	<p>Direction of Travel: </p>								
<p>Previous reviews: Parking Services 9 July 2012 Limited Assurance</p>	<p><u>Scope and Approach:</u> The scope for this audit review was as follows:-</p> <ul style="list-style-type: none"> • Reconciliation procedures for off-street and on-street parking income • Management of vehicles using the car parks including barrier control • Control over the pay stations • Contract parking • Follow up of previous recommendations • Reporting arrangements 									
<p>High Priority Recommendations:</p> <p>R1 Regular spot checks should be undertaken to reconcile system reports with manual records for the following, Blue Badge validations, Cinema, NTU and other ticket validations, ANPR malfunctions, contractor, bulk ticket exchange and other 'free exits', manual barrier raises, lost and unreadable tickets and 'no funds'. Reports should be presented to management for review.</p> <p>R4 Another member of staff should accompany the Senior Officer when refilling pay machines and signing the daily log book to confirm the amount.</p> <div data-bbox="1529 823 2119 1347" style="border: 1px solid black; padding: 10px; text-align: center;"> <p><u>Summary of the recommendations by priority</u></p>  <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <thead> <tr> <th>Priority</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>High</td> <td>2</td> </tr> <tr> <td>Medium</td> <td>4</td> </tr> <tr> <td>Low</td> <td>1</td> </tr> </tbody> </table> </div>			Priority	Count	High	2	Medium	4	Low	1
Priority	Count									
High	2									
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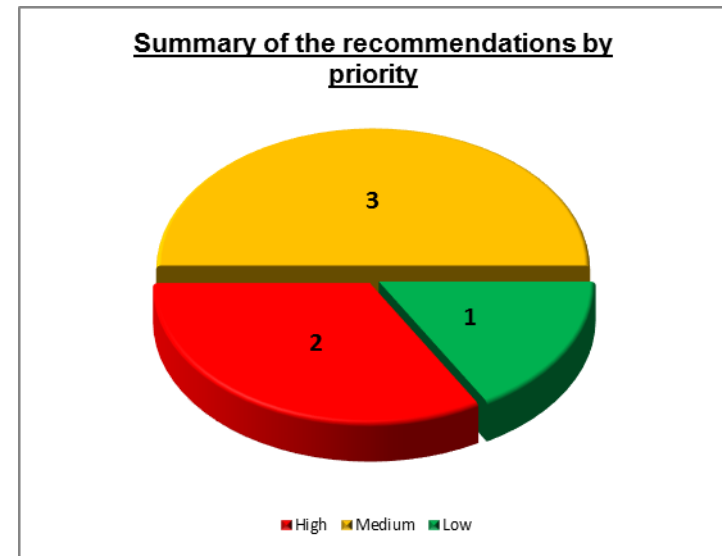
Meals at Home 2017/18

Executive Summary



<p>Directorate: Neighbourhood Services</p> <p>Previous review: There has not been a review in this area for some time.</p>	<p>Overall Opinion:  Significant Assurance</p>	<p>Direction of Travel: N/A</p>
<p><u>Scope and Approach:</u> This review considered the following aspects:</p> <ul style="list-style-type: none"> • Review processes and written guidance relating to income • Review records of meals provided and income received/invoiced • Review reconciliations of income received to meals provided and receipt into bank • Review income received into the General Ledger • Review debt management records 		

High Priority Recommendations:


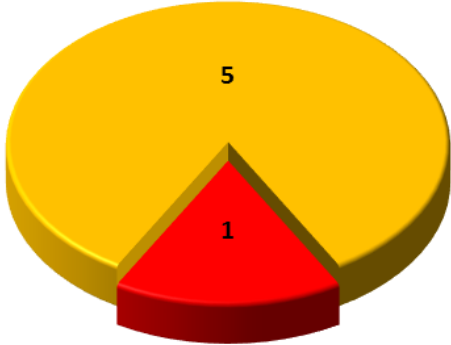
- R2 Financial roles and responsibilities within the Meals at Homes service and Parking Services should be finalised as soon as possible ensuring there is overview of all financial processes by an appropriate staff member.
- R6 The process manual should include clear instructions for all financial tasks including E>Returns, debt management and invoicing. The manual should be finalised before the Project Officer leaves.



Growth Point 2016/17 Executive Summary



<p>Organisation: Nottingham City Council Directorate: Development</p> <p>Previous reviews: 24th May 2016</p>	<p>Overall Opinion: High Assurance</p>		<p>Direction of Travel: Overall, there has been no change to the level of controls that are in operation.</p> 
<p><u>Scope and Approach:</u></p> <ul style="list-style-type: none"> ❖ Contracts being signed between Nottingham City Council and Leicester City Council ❖ Approval of schemes submitted by Nottinghamshire County Council and the District Councils who form part of the Nottingham Core HMA. ❖ Income and expenditure being appropriately recorded within the Account of Nottingham City Council ❖ Evidence to support an opinion on the appropriateness and compliance with the conditions 			
<p>High Priority Recommendations</p> <p>None</p>			

European Funding 2017/18 Executive Summary

<p>Department: Economic Policy and Partnerships</p> <p>Previous review: This area has not previously been reviewed.</p>	<p>Overall Opinion: Significant Assurance </p>	<p>Direction of Travel: N/A</p>								
<p><u>Scope and Approach:</u> This review considered the following aspects of a sample of projects:</p> <ul style="list-style-type: none"> ❖ The necessary approvals are in place. ❖ There is regular monitoring of the project. ❖ Budget monitoring is adequate. ❖ Claims are in accordance with the rules and are adequately supported by evidence. ❖ Expected outcomes are being met/are on target ❖ Regular reviews are in place of the partners involved. 										
<p>High Priority Recommendations:</p> <p>R5 Project folders should be reviewed and access to sensitive or personal information should be restricted by password or restricted folders.</p> <div data-bbox="1308 767 2029 1334" style="border: 1px solid black; padding: 10px; margin: 20px auto; width: fit-content;"> <p style="text-align: center;"><u>Summary of the recommendations by priority</u></p>  <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th>Priority</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>High</td> <td>1</td> </tr> <tr> <td>Medium</td> <td>5</td> </tr> <tr> <td>Low</td> <td>0</td> </tr> </tbody> </table> <p style="text-align: center; font-size: small;"> ■ High ■ Medium ■ Low </p> </div>			Priority	Count	High	1	Medium	5	Low	0
Priority	Count									
High	1									
Medium	5									
Low	0									

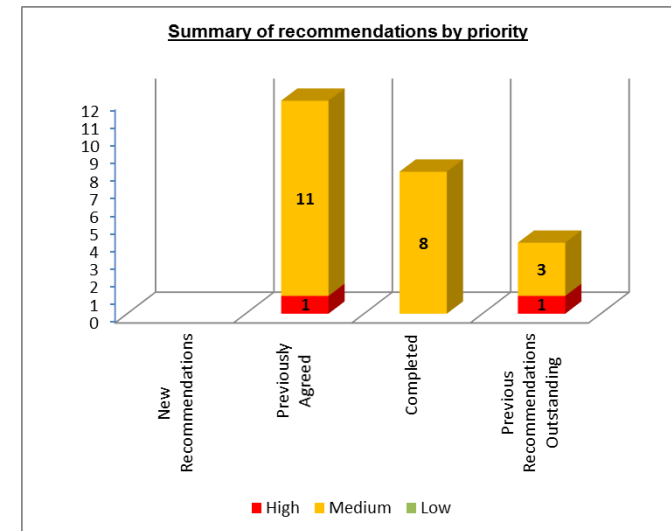
Repairs & Maintenance 2016/17 – Follow-up

Executive Summary

<p>Organisation: Nottingham City Council Directorate: Neighbourhood Services</p> <p>Previous reviews: Repairs & Maintenance 2016/17 - 4th November 2016</p>	<p>Overall Opinion: Significant Assurance </p>	<p>Direction of Travel: </p>
<p><u>Scope and Approach:</u> The scope was limited to a review of outstanding recommendations from the 2016 report.</p>		

High Priority Recommendations:

R5b Those suppliers failing to achieve the required response and completion times should be contacted and the necessary action taken.



Change Management Executive Summary

Organisation: Nottingham City Council
Directorate: Strategy and Resources
Previous reviews: None

Overall Opinion:
Significant Assurance



Direction of Travel:
This is the first review of this area

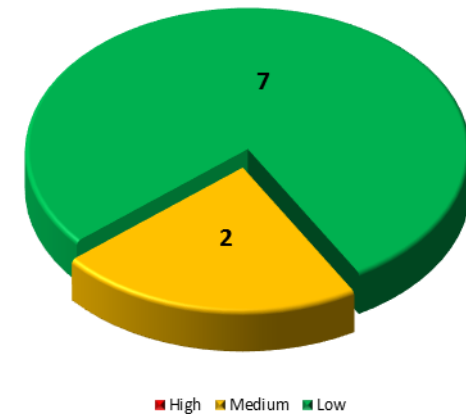


Scope and Approach: The scope of this review covered:
The scope of this review covers the systems in place to manage the change process including the resilience of the existing processes and the suitability of existing systems that support the process.

High Priority Recommendations

There are no high priority recommendations as a result of this review.

Summary of the recommendations by priority



IT Asset Management Executive Summary

Organisation: Nottingham City Council
Directorate: Strategy and Resources

Previous reviews: IT Asset Management 2014/15

Overall Opinion:
Limited Assurance



Direction of Travel:
There has been some improvement since the last review, however issues still exist around management and control of assets

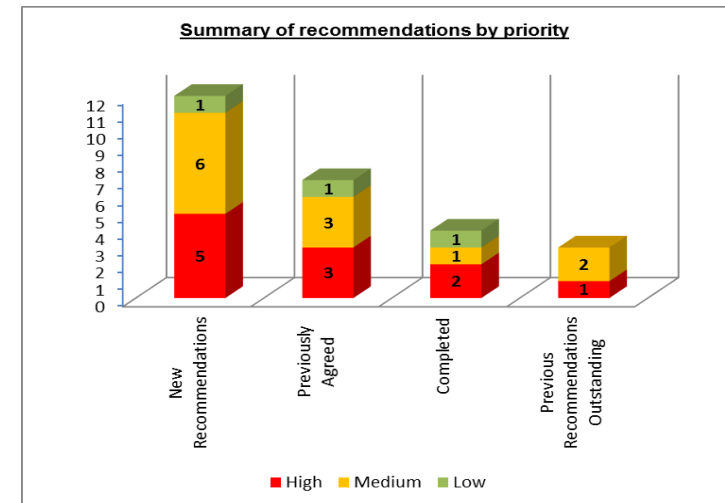


Scope and Approach: The scope of this review covered:
review will look at the following aspects of the systems and procedures currently in place:



- Systems in place to control assets;
- Management information provided in relation to;
 - Equipment;
 - Replenishment;

High Priority Recommendations

- R4 IT Deployment have investigated these records and found these records have been duplicated within the asset register.
Steps should be taken to review the Hardware Assets Register and to correct any duplicated records within the system
- R5 There should be routine monitoring of all assets and where the assets have not been used for over 120 days access suspended in order that the network remains secure.
- R7 All procurement of IT Assets should be centrally processed as agreed with the procurement service. Any non-normative procurement should be formally challenged.
- R10 All Directors and Heads of Service should be reminded of the requirement to:
- Maintain an inventory of IT equipment including, laptops, tablets and phones
 - Reclaim IT assets from colleagues leaving the City Councils employment
 - Return all unused equipment to the IT Service desk in order that they may be redistributed etc.
- R11 The IT Asset register should clearly demonstrate ownership of an asset or any transfer/sale where that occurs.

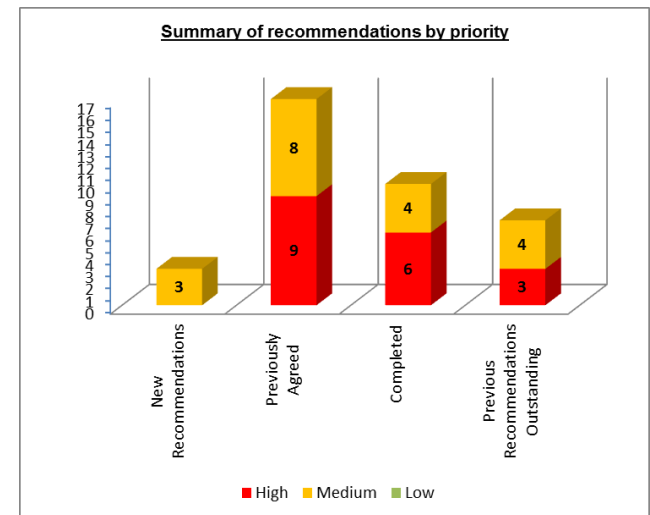


IT Security Executive Summary

<p>Organisation: Nottingham City Council Directorate: Strategy & Resources</p>	<p>Overall Opinion: Limited Assurance </p>	<p>Direction of Travel: </p> <p>Though improvements have been made and the level of control has improved, some key issues remain to be addressed.</p>
<p>Previous reviews: IT Access Controls 2014-15 IT Security Review 2016-17</p>	<p><u>Scope and Approach:</u> The scope of this review will look at:</p> <ul style="list-style-type: none"> • Follow-up 2015-16 Audit Report • Access controls relating to partner organisations and 3rd parties. 	



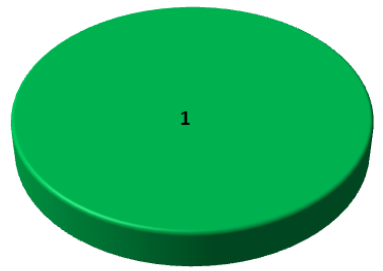
High Priority Recommendations

- 2015-16 R1 The Information Security Policy should be reviewed, in conjunction with Information Management Services and submitted to the Audit Committee as part of the City Councils Governance and Risk Management arrangements.
- 2015-16 R3 All colleagues, including contractors, temporary staff and casuals, should undergo the Information Security and Data Protection training in line with the requirements of the Financial Regulations.
- In addition, Corporate Directors should establish monitoring and reporting arrangements to ensure that the training is successfully completed. This information should form part of an annual report to Audit Committee on IT governance.
- 2015-16 R4 All colleagues should be required to undergo the Information Security Awareness Training and Data Protection Training prior to having formal access to the IT network.
- In addition, Managers should be informed where either colleagues fail to complete the course or fail to achieve a pass in order that they may be offered additional support and training to ensure that appropriate standards may be achieved and maintained.





Budgetary Control

Executive Summary

<p>Organisation: Nottingham City Council Directorate: Strategy and Resources</p> <p>Previous reviews: Budgetary Control 2015 3 November 2015</p>	<p>Overall Opinion: High Assurance</p>		<p>Direction of Travel: There has been no material changes in the level of control since our last review</p> 
<p><u>Scope and Approach:</u> The scope for this audit review was as follows:-</p> <ul style="list-style-type: none"> • Budget approval from Full Council prior to the commencement of the financial year. • Loading of the approved budget onto the Oracle financial system; to be used for monitoring against the actual spend as the financial year progresses. • Existence of budget monitoring procedures with clear timetable and responsibilities in place. • Treatment of budget virements, including authorisation and compliance with the requirements of Financial Regulations. 			
<p>High Priority Recommendations:</p> <p>None to report</p>		<p><u>Summary of the recommendations by priority</u></p>  <p>Legend: High (Red), Medium (Yellow), Low (Green)</p>	

Accounts Receivable

Executive Summary

<p>Organisation: Nottingham City Council</p> <p>Directorate: Resources</p> <p>Previous reviews: Accounts Receivable follow up, 2015-16</p>	<p>Overall Opinion:</p> <p>Limited Assurance</p>		<p>Direction of Travel:</p> <p>Whilst a number of improvements have been made, a number of key issues remain outstanding.</p> 
<p><u>Scope</u></p> <p>The scope of this review considered the following aspects of the system:</p> <ul style="list-style-type: none"> Contract monitoring arrangements concerning debt collection Departmental debt management arrangements Write-off and debt referral processes to NCC Legal Services Sample checks across all internal departments to ensure that the debt raised has been raised promptly and is accurate and complete Follow-up on outstanding recommendations from the 2015-16 audit 			

High Priority Recommendations

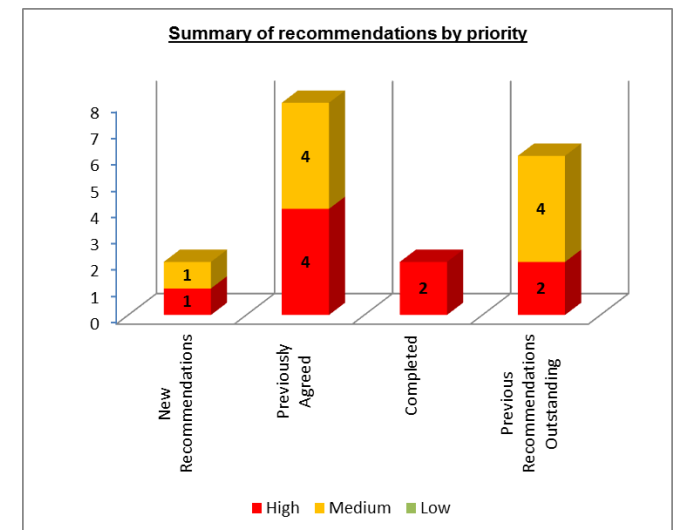
2016/17 R2 - Management should:

- Review the use of the existing Consolidated Debt system and ascertain if there is a need to replace it.
- Review the usage made of the existing system and if appropriate take steps to decommission the system to ensure that the City Council remains compliant with the Data Protection Act.

2014/15 R1 - Financial Regulations should be re-drafted to take account of third parties being involved within the debt collection process.

2014/15 R14 - Those areas raising bulk invoices should be reviewed in order that the process may be streamlined and become more efficient with the possibility of introducing feeder systems from source records.

2014/15 R15 - An urgent review is required to clear these items to ensure that customer accounts are accurate and complete.



Treasury Management Executive Summary

Organisation: Nottingham City Council
 Directorate: Strategic Finance

Previous review:
 12th May 2016

Overall Opinion:



High Assurance

Direction of Travel:

Overall, there has been no change to the level of controls that are in operation.

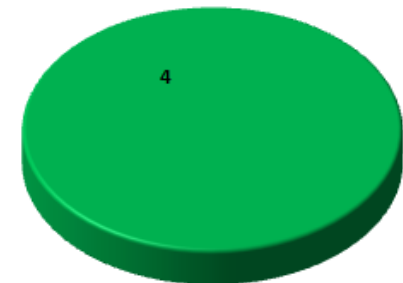


Scope and Approach:

- The existence of an agreed Treasury Management strategy for 2016/17 that follows CIPFA treasury management code
- A review of Treasury Management activities to ensure that are correctly recorded in the accounts
- A review of the Investment Strategy, prudential indicators and limits and strategy for debt repayment.
- A review of borrowing and lending activities to ensure compliance with CIPFA
- A review of controls in place to ensure that investment opportunities are appropriately identified and a sound authorisation process is applied.
- The existence and coverage of fidelity guarantees for all appropriate staff.



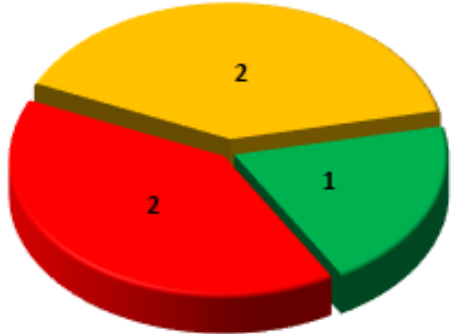
No High Priority Recommendations were identified.

Summary of the recommendations by priority



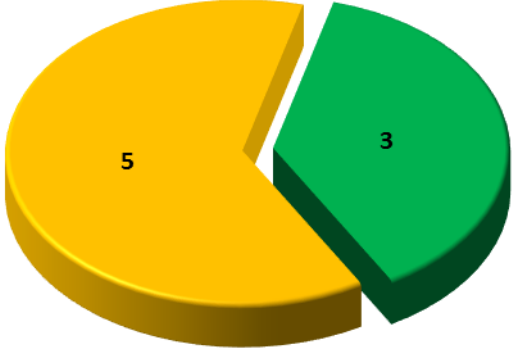


■ High ■ Medium ■ Low

Procurement Card Executive Summary

<p>Organisation: Nottingham City Council Directorate: Strategic Finance</p> <p>Previous review: 23rd April 2015</p>	<p>Overall Opinion: Limited Assurance</p> 	<p>Direction of Travel: Deteriorates</p> 
<p><u>Scope and Approach:</u> The objective of this review is to identify and assess the controls in place within the system and to provide management with an independent opinion of the effectiveness of these controls and as part of this review we will cover:</p> <ul style="list-style-type: none"> ❖ responsibilities and training ❖ new card process; card housekeeping, security arrangements ❖ cards and transactions limits ❖ transaction and approval processes; monthly reconciliation process 		
<p>Two High Risk recommendations were identified:</p> <p>R1 Cardholders and Approvers should be reminded of their responsibilities.</p> <p>Cardholders and Approvers should review and reconcile all cardholders' transactions on the RBS system on a monthly basis to ensure that they are valid.</p> <p>Purchase to Pay should introduce more effective ways of enforcement. This may ultimately mean suspension of users purchase card.</p> <p>This recommendation was previously raised during the 2015/16 Internal Audit Review.</p> <p>R5 Management should ensure that cardholders identify all purchase card transactions with VAT and update the RBS system to properly reclaim the VAT.</p> <p>Management should ensure that a valid VAT invoice/receipt is retained for all VAT reclaimed on purchases.</p>		
<p style="text-align: center;">Summary of the recommendations by priority</p>  <p style="text-align: center;">■ High ■ Medium ■ Low</p>		

Right to Buy Executive Summary

<p>Department: NCC – Strategy and Resources NCH – Housing and Customer Services</p> <p>Previous review: NCH Right to Buy (Cost Floor) 2015/16 NCH Right to Buy (Cost Floor) Follow Up 2016/17</p>	<p>Overall Opinion: Significant Assurance </p>	<p>Direction of Travel: </p>								
<p><u>Scope and Approach:</u> This review considered the following aspects of the Right to Buy (RTB) process:</p> <ul style="list-style-type: none"> • A review of the RTB process within the Council and Nottingham City Homes. • Ensuring properties are only sold to those eligible to purchase under RTB. • Applications are processed promptly and in accordance with legislation. • Valuations are undertaken in a timely manner. • A review of the process to establish cost floor values and that they are accurately recorded • Discounts are reclaimed if a property is resold. 										
<p>High Priority Recommendations</p> <p>There are no High Priority recommendations.</p>	<p><u>Summary of the recommendations by priority</u></p>  <table border="1"> <caption>Summary of the recommendations by priority</caption> <thead> <tr> <th>Priority</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>High</td> <td>0</td> </tr> <tr> <td>Medium</td> <td>5</td> </tr> <tr> <td>Low</td> <td>3</td> </tr> </tbody> </table> <p>■ High ■ Medium ■ Low</p>		Priority	Count	High	0	Medium	5	Low	3
Priority	Count									
High	0									
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