
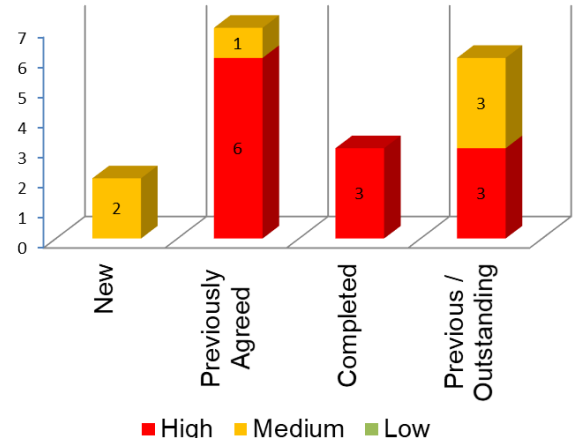



## Annex C – Audit Executive Summaries – Final Reports issued since last update

### Housing Benefits 2022/23

Directorate: Finance & Resources Division: Customer Services Previous review: 2021/22	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: Improving 																				
<p><u>Scope and Approach:</u> This review considered the following aspects of the Benefits service:</p> <ul style="list-style-type: none"> <li>• Subsidy Outturn, workload balance and quality control</li> <li>• Reconciliations and payments process</li> <li>• Parameter control process</li> <li>• Review of previous recommendations.</li> </ul>																						
<p><b>High Priority Recommendations</b></p> <p>2021-22 R2 Confirm and report the regulatory outcomes and impacts of the period where no contract was in place (Nov2021-Mar2023).</p> <p>2021-22 R3 Determine future resource and structure of the team and implement a sustainable resource level as soon as possible.</p> <p>2017-18 R3 Ensure that an additional NCC Benefits Team member has training to upload Atlas files to improve resilience for this key activity.</p>	<p><b>Summary of recommendations by priority</b></p>  <table border="1"> <caption>Data for Summary of recommendations by priority</caption> <thead> <tr> <th>Category</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>New</td> <td>0</td> <td>2</td> <td>0</td> </tr> <tr> <td>Previously Agreed</td> <td>6</td> <td>1</td> <td>0</td> </tr> <tr> <td>Completed</td> <td>3</td> <td>0</td> <td>0</td> </tr> <tr> <td>Previous / Outstanding</td> <td>3</td> <td>3</td> <td>0</td> </tr> </tbody> </table>		Category	High	Medium	Low	New	0	2	0	Previously Agreed	6	1	0	Completed	3	0	0	Previous / Outstanding	3	3	0
Category	High	Medium	Low																			
New	0	2	0																			
Previously Agreed	6	1	0																			
Completed	3	0	0																			
Previous / Outstanding	3	3	0																			

## Council Tax 2022/23

Directorate: Finance & Resources Division: Customer Services Previous review: August 2021 (2020/21) (Due to the impact of Covid legislation, no review was undertaken 2021/22)	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: <b>No Change</b> 
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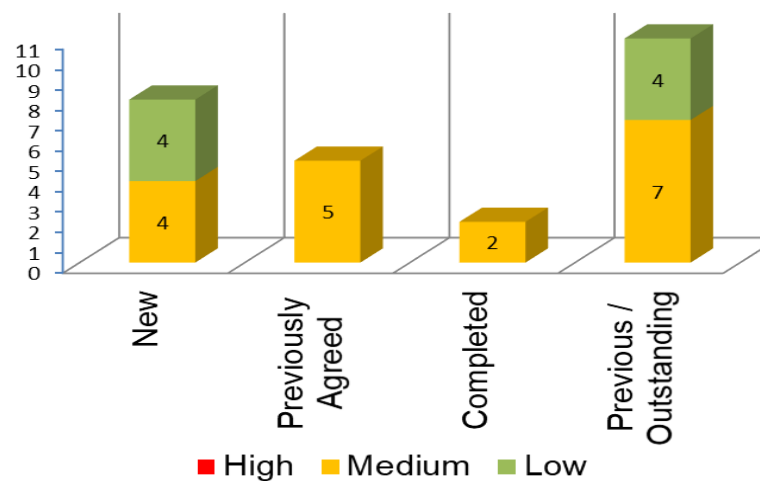
Scope and Approach: This review considered the following aspects:

- ❖ The previous year's close-down process (including write-offs),
- ❖ Transfer of balances between old & new year
- ❖ Opening debit for the current year.
- ❖ Review the timetable for reviewing discounts and exemptions.
- ❖ Review of in year write-offs
- ❖ Reconciliation of CTax to cash receipting and to the ledger
- ❖ NRB contract management


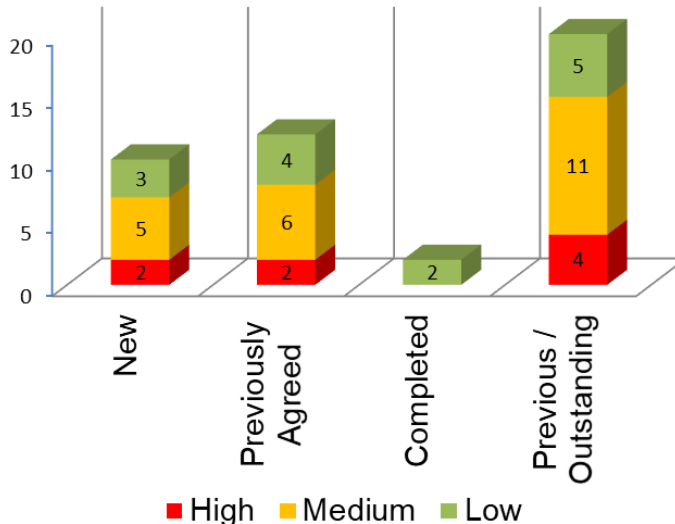
### High Priority Recommendations

None

**Summary of recommendations by priority**



## Business Rates 2022/23

<p>Directorate: Finance &amp; Resources          Division: Customer Services          Previous review: August 2021 (2020/21)          (Due to the impact of Covid legislation, no review was undertaken 2021/22)</p>	<p>Overall Opinion:  <b>Limited Assurance</b></p>	<p>Direction of Travel:  <b>No Change</b> </p>																				
<p><u>Scope and Approach:</u> This review considered the following aspects:</p> <ul style="list-style-type: none"> <li>❖ The previous year's close-down process (including write-offs),</li> <li>❖ Transfer of balances between old &amp; new year</li> <li>❖ Opening debit for the current year.</li> <li>❖ The timetable for reviewing discounts and exemptions.</li> <li>❖ Cases identified by the Corporate Counter Fraud Team [CCFT]</li> <li>❖ Review of in year write-offs</li> <li>❖ Reconciliation of cash receipting to the ledger</li> </ul>																						
<p><b>High Priority Recommendations</b></p> <p>2022-23 R2 – Reviews of Charity, Small Business [SBRR] reliefs and Empty Property exemptions should be programmed and carried out by the Business Rates Team. Progress should be regularly reviewed by senior management</p> <p>2022-23 R6 – Recovery action should be re-instated</p> <p>2019-20 R1 – The Business Rates Team should be adequately resourced.</p> <p>2019-20 R2 – An approved policy should be introduced which should be used to determine all discretionary relief awards. All awards of reliefs should be supported by suitable documents.</p>	<p><b>Summary of recommendations by priority</b></p>  <table border="1"> <caption>Data for Summary of recommendations by priority</caption> <thead> <tr> <th>Category</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>New</td> <td>2</td> <td>3</td> <td>3</td> </tr> <tr> <td>Previously Agreed</td> <td>2</td> <td>4</td> <td>4</td> </tr> <tr> <td>Completed</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td>Previous / Outstanding</td> <td>4</td> <td>7</td> <td>5</td> </tr> </tbody> </table>		Category	High	Medium	Low	New	2	3	3	Previously Agreed	2	4	4	Completed	0	0	2	Previous / Outstanding	4	7	5
Category	High	Medium	Low																			
New	2	3	3																			
Previously Agreed	2	4	4																			
Completed	0	0	2																			
Previous / Outstanding	4	7	5																			

## NCC Accounts Receivable 2022/23

Directorate: Finance & Resources Division: Finance Previous review: 2021/22	Overall Opinion: <b>Limited Assurance</b>	Direction of Travel: Deteriorates 
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Scope and Approach: This review considered the following aspects of Accounts Receivable:

- An overview of debt across the council
- An assessment of the council's debt management strategy / governance of debt collection activity
- An assessment of the council's contract / performance management of EMSS
- A focus on debt collection within specific business areas (highlighted via exploratory data analysis)

### High Priority Recommendations

2021/22 R2 – Financial Regulations should be amended and the Debt Management Strategy identified / created.

2021/22 R3 – The Management Agreement [with EMSS] should be re-visited with a focus on the performance of EMSS

2022/23 R1 – A corporate write-off policy should be written to ensure a consistent and timely approach to debt write-off across the organisation.

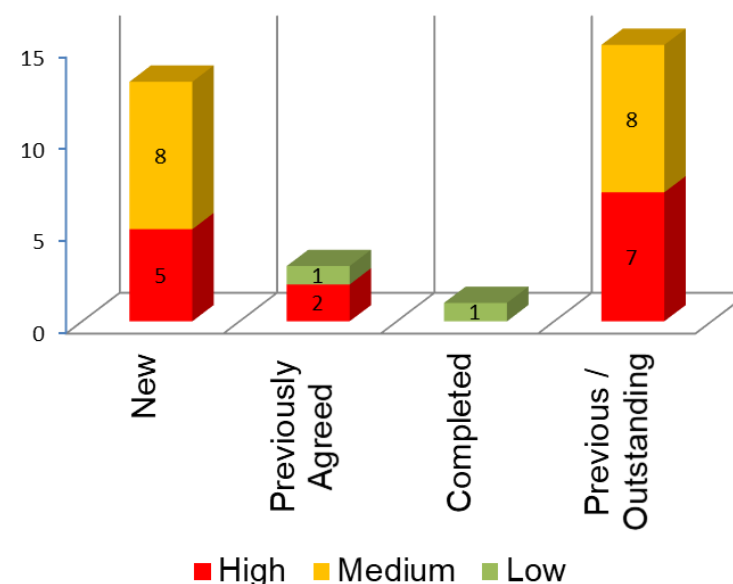
2022/23 R3 – A mechanism should be developed to ensure a prudent bad debt provision is applied consistently to debt deemed unlikely to be recovered. The provision should be applied to the cost centre for the debt.

2022/23 R4 - Finance should review the role of Finance Business Partners to ensure they play an active role helping the organisation to monitor performance and challenge / troubleshoot high value unpaid invoices.


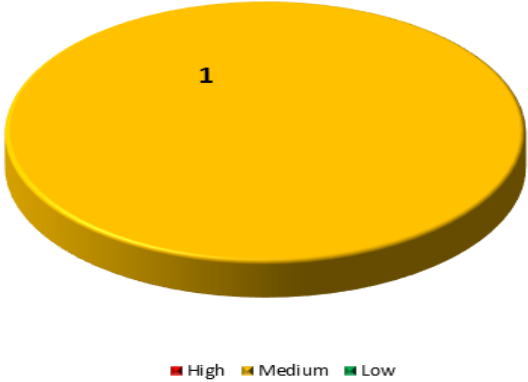
2022/23 R9 - HR & EDI should instruct EMSS ESC to follow policy and procedures. HR & EDI must seek assurance all salary overpayments with current employees are being deducted from payroll and all salary overpayments with ex-employees are raised as an invoice to allow collection activity to take place.

2022/23 R10 - Finance should instruct the organisation to review all invoices in dispute or marked by EMSS as income collection exhausted. Review of high value invoices in dispute or marked as collection activity exhausted should be included within the role of Finance Business Partners.


**Summary of recommendations by priority**



## Bank Reconciliation 2022/23

Directorate: Finance and Resources Division: Finance Previous review: 2021/22	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: Deteriorates 								
<p><u>Scope and Approach:</u></p> <p>The scope of the audit covered the Council's four main bank accounts as follows:</p> <ul style="list-style-type: none"><li>• NCC General Account</li><li>• NCC BACS Creditor (Fusion BACS)</li><li>• NCC Fusion Creditor Chq</li><li>• NCC Direct Bank Cred (NCC GDBC)</li></ul>										
<p><b>High Priority Recommendations</b></p> <p>No high priority recommendations</p>	<p><b><u>Summary of the recommendations by priority</u></b></p>  <table border="1"><thead><tr><th>Priority</th><th>Count</th></tr></thead><tbody><tr><td>High</td><td>0</td></tr><tr><td>Medium</td><td>1</td></tr><tr><td>Low</td><td>0</td></tr></tbody></table>		Priority	Count	High	0	Medium	1	Low	0
Priority	Count									
High	0									
Medium	1									
Low	0									

## NCC Accounts Payable 2022/23

Directorate Finance & Resources Division Finance Previous review: July 2022	Overall Opinion: <b>Limited Assurance</b>	Direction of Travel: No change 
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**Scope and Approach:** This review considered the key requirements as set out in Financial Regulations and Corporate Procurement Rules, with a focus on the following:

- Payments made that are not supported by an order / retrospective orders being raised
- Requisitions and orders being artificially split to avoid appropriate levels of approval
- Compliance with the Council's payment terms
- The late payment process
- Follow-up of One-Time Payments report

### High Priority Recommendations

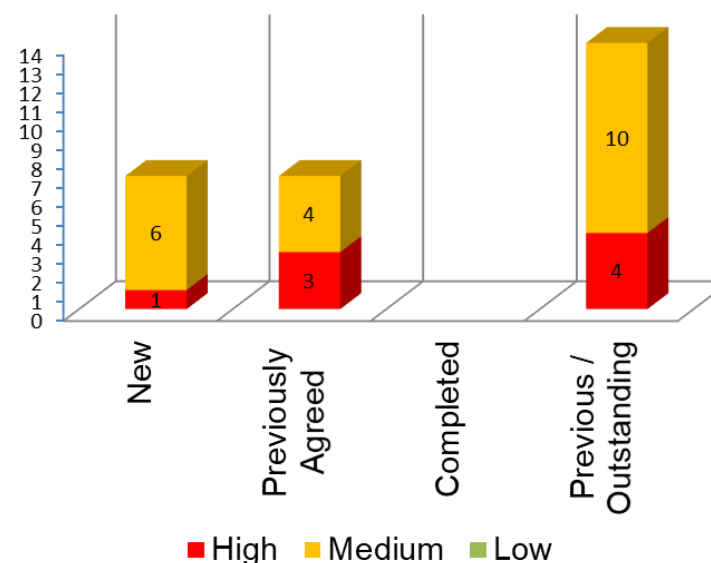
2022-23 – R7 Early Settlement Discounts should be established with each supplier and a centralised system established to manage and monitor the process.

Briefing note R3 We recommend due to the weaknesses in controls and inherent higher risk of fraud, Grant Payments should no longer be processed through the OTP system.


Briefing note R4 Finance must ensure adequate checks are being undertaken.

Briefing note R7 We recommend this is investigated, unique transaction identifiers within the Finance MasterLog should be included within the OTP payment transaction records stored on Oracle Fusion. This will improve reconciliation of payments and the management information obtainable from the system.

**Summary of recommendations by priority**



## Main Accounting 2022/23

Directorate: Finance and Resources Division: Finance Previous review: 2021/22	Overall Opinion: <b>Moderate</b>	Direction of Travel: Deteriorates 
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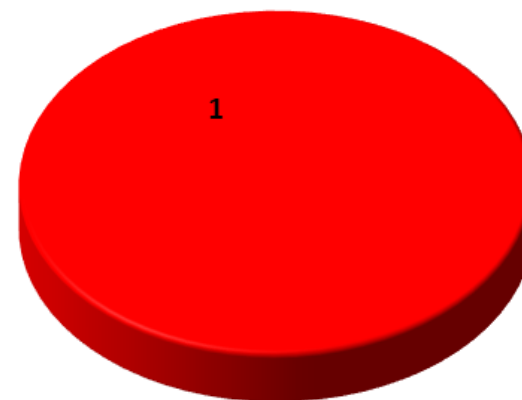
Scope and Approach: This review considered the following aspects of main accounting:

- ❖ Carry forward and brought forward balances are reconciled.
- ❖ Ledger and interface integrity monitoring takes place
- ❖ Suspense and holding accounts are in place, regularly reviewed and cleared
- ❖ Reconciliations are undertaken timely
- ❖ Journals are supported by adequate documentation

### High Priority Recommendations

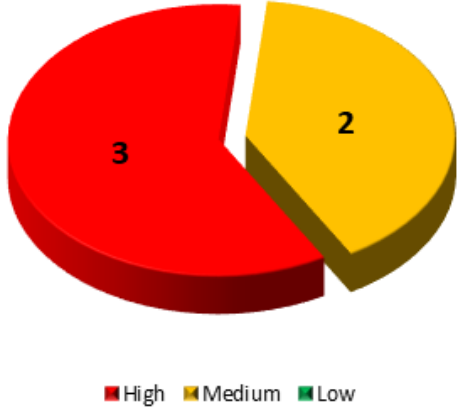
2022-23 R1 - A process for the authorisation of journals should be implemented as soon as practical.

#### Summary of the recommendations by priority




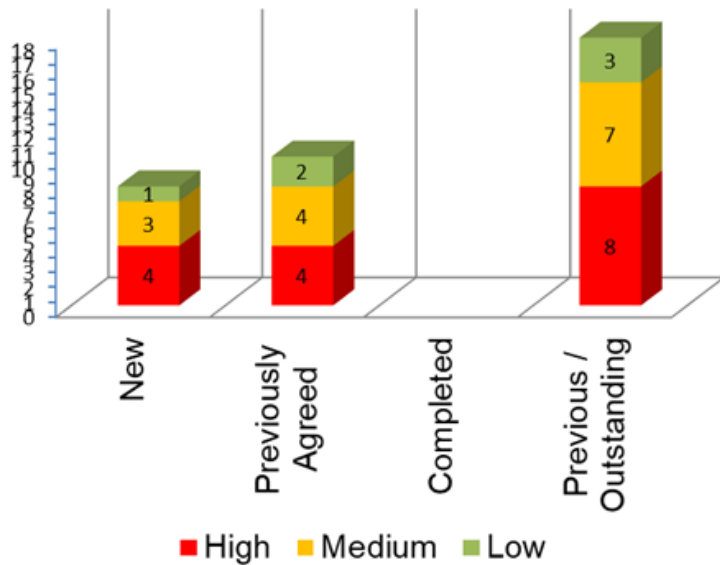
■ High ■ Medium ■ Low

## OR06 Waste and Energy Infrastructure

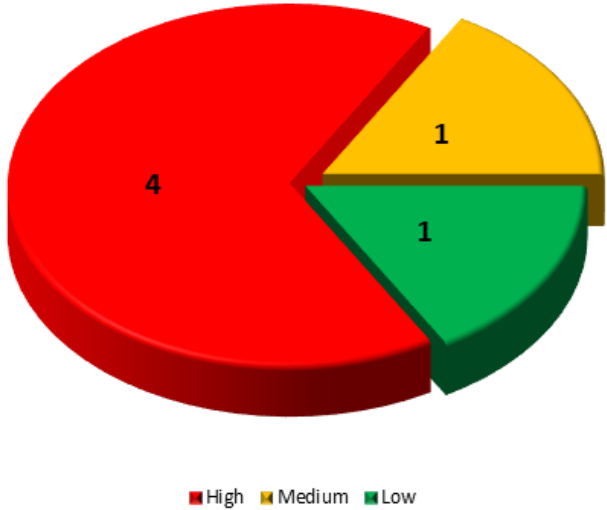
Directorate: Growth & City Development Division: Carbon Reduction Sustainability & Energy Services Previous review: N/A	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: N/a								
<p><u>Scope and Approach:</u> Risk OR06 - Deteriorating assets may lead to the failure of the waste and energy infrastructure</p> <ul style="list-style-type: none"><li>• Review of the mitigating actions to identify if appropriate</li><li>• Review of some actions to establish if being undertaken</li><li>• Establish those mitigating actions that remain outstanding</li><li>• Review of reporting arrangements</li></ul>										
<p><b>High Priority Recommendations</b></p> <p>R1 Negotiations and agreeing terms on a new contract to allow the production of heat and steam should be concluded as soon as possible.</p> <p>R2 a. A survey of the private wire network should be undertaken to ensure that the level of maintenance and replacement of parts required is known.</p> <p>R2 b. Any outstanding maintenance works deemed necessary should be completed in accordance with the schedule.</p>	<p><b><u>Summary of the recommendations by priority</u></b></p>  <table border="1"><thead><tr><th>Priority</th><th>Count</th></tr></thead><tbody><tr><td>High</td><td>3</td></tr><tr><td>Medium</td><td>2</td></tr><tr><td>Low</td><td>1</td></tr></tbody></table>		Priority	Count	High	3	Medium	2	Low	1
Priority	Count									
High	3									
Medium	2									
Low	1									



## NCC HR & Payroll 2022-23

Finance & Resources HR & EDI Division Previous review: 2020-21	Overall Opinion: <b>No Assurance</b>	Direction of Travel: Deteriorates 																				
<p><u>Scope and Approach:</u> This review considered the following aspects:</p> <ul style="list-style-type: none"> <li>• Additional responsibility element end date review</li> <li>• Progression of grade following probation and other employment changes</li> <li>• New Transfer of Undertakings (Protection of Employment)</li> <li>• Omission of Line Manager details on Oracle Fusion</li> </ul>																						
<p><b>High Priority Recommendations (continued overleaf)</b></p> <p>2022 / 23 R1 - Meetings of the Pay and Governance Board should be reinstated at the earliest opportunity</p> <p>2022 / 23 R3 - HR &amp; EDI should reinstate regular payment monitoring outlined in the Special Payments Guidance (part of the Pay Policy).</p> <p>2022 / 23 R5 - HR &amp; EDI should work with EMSS and others to investigate and determine the cause of the failure of systems to increase pay. In the interim an exception report should be developed to highlight employees who may have not received a pay progression increase.</p> <p>2022 / 23 R6 - HR &amp; EDI should investigate all remaining employees (364) identified as possibly being underpaid due to the failure of automated systems.</p> <p>Briefing Note Recommendations 5<sup>th</sup> August 2022</p> <p>2022 / 23 R1 - We recommend HR &amp; EDI develop process requirements for management of the employment establishment clearly setting out roles and responsibilities. We have obtained a policy from Westminster City Council which could be used as an example to develop for our use.</p> <p>2022 / 23 R3 - We recommend HR &amp; EDI communicate requirements to all Line Managers detailing their responsibilities to complete establishment control checklists contained within Oracle Fusion such as New Starters Checklist, Probation Details and Leavers Checklist. Such communication should form part of the process requirements recommended above.</p> <p>2022 / 23 R5 - An annual establishment check should be carried out including verification of establishment by managers.</p> <p>2022 / 23 R6 - Data relevant to establishment control should be reconciled periodically and any issues investigated and corrections made. This will involve as a minimum: a. HRT7 (HR &amp; EDI); b. Oracle Fusion Hierarchy (HR &amp; EDI); c. Budget (Finance); d. Active Directory (IT).</p>	<p><b>Summary of recommendations by priority</b></p>  <table border="1"> <caption>Data for Summary of recommendations by priority</caption> <thead> <tr> <th>Category</th> <th>High</th> <th>Medium</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>New</td> <td>4</td> <td>3</td> <td>1</td> </tr> <tr> <td>Previously Agreed</td> <td>4</td> <td>4</td> <td>2</td> </tr> <tr> <td>Completed</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Previous / Outstanding</td> <td>8</td> <td>7</td> <td>3</td> </tr> </tbody> </table>		Category	High	Medium	Low	New	4	3	1	Previously Agreed	4	4	2	Completed	0	0	0	Previous / Outstanding	8	7	3
Category	High	Medium	Low																			
New	4	3	1																			
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Completed	0	0	0																			
Previous / Outstanding	8	7	3																			

## Woodthorpe Plant Shop 2022/23

Directorate: Communities, Environment and Resident Services Division: Resident Services Previous review: N/A	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: N/A Not previously reviewed								
<p><u>Scope and Approach:</u> This review considered the following aspects:</p> <ul style="list-style-type: none"><li>Trading, governance, income collection, marketing</li></ul>										
<p><b>High Priority Recommendations</b></p> <p>R1 - The governance structure should be strengthened to provide further accountability and transparency and to ensure that adequate monitoring takes place. Routine reporting should include evidencing the primary or dominant purpose of the shop and nursery</p> <p>R4 - All staff handling card payments should undertake the required e-learning training annually as a mandatory requirement</p> <p>R5 - The Business Development Manager should familiarise herself with the PCI DSS NCC Policy and ensure staff awareness and compliance.</p> <p>R6 - Full records should be maintained of surplus plants generated and if possible, the plants should be entered onto the stock control system.</p>	<p><b><u>Summary of the recommendations by priority</u></b></p>  <table border="1"><thead><tr><th>Priority</th><th>Count</th></tr></thead><tbody><tr><td>High</td><td>4</td></tr><tr><td>Medium</td><td>1</td></tr><tr><td>Low</td><td>1</td></tr></tbody></table>		Priority	Count	High	4	Medium	1	Low	1
Priority	Count									
High	4									
Medium	1									
Low	1									

## Appointeeship 2022-23

Directorate Finance and Resources Division Customer Services Previous review: N/A	Overall Opinion: <b>No Assurance</b>	Direction of Travel: Deteriorates 
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Scope and Approach: In response to a request from the Director of Adult Social Care we have reviewed the way in which Appointeeships are managed with particular emphasis on:

- Confirming the balances held
- A high-level review of system and controls
- Identify key risks & next steps

### High Priority Recommendations

2022-23 R1 BF57 approvals should be obtained in all cases in order that the Council can demonstrate that it is acting as instructed by the DWP. A record of the receipt of this notification should be recorded onto the FPM.

2022-23 R2 These funds do not belong to the City Council and as such should be recorded separately within the client's money account. Each appointee should have their own bank account into which all income and expenditure should be recorded.

2022-23 R3 There should be a full review of NCC's usage of the Financial Protection module with OCC to ensure that best practice is being followed and working practices are aligned with the intended use of the system.

2022-23 R4 Once R3 above has been completed the training needs of colleagues should be assessed and where appropriate training provided.

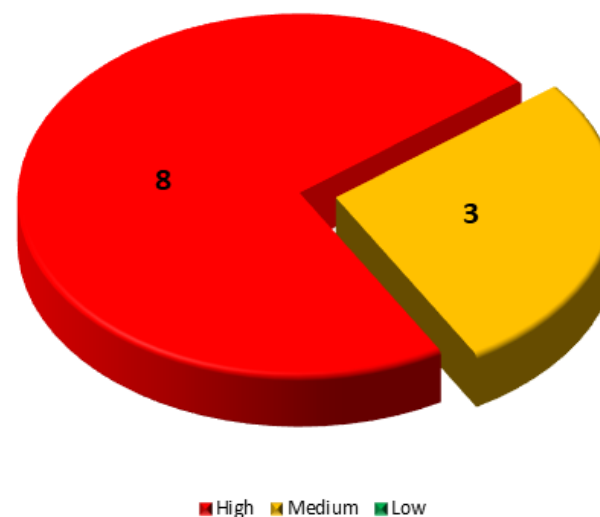
2022-23 R5 Steps should be taken to ensure that there is a comprehensive record of all activity undertaken on behalf of a client.

2022-23 R6 Appointees with negative balances within the Financial Protection Module should have their cases reviewed as a matter of priority to ensure that their financial needs are being met.

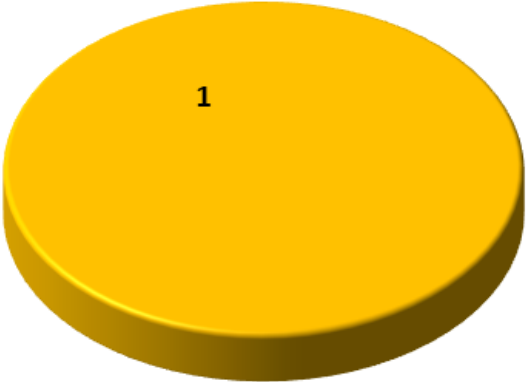
2022-23 R7 An urgent review of the appointee account balances should be undertaken to ensure that there is adequate funding to meet financial needs.

2022-23 R8 A full review of all the accounts within the Financial Protection Module with the aim of reducing those balances held and closing any accounts that are no longer required.

Summary of the recommendations by priority



## Women's Aid Grant Payments

Directorate: Communities Environment & Resident Division: Communities Previous review: N/A	Overall Opinion: <b>Moderate Assurance</b>	Direction of Travel: N/A Not previously reviewed			
<u>Scope and Approach:</u> This review considered the circumstances surrounding payments to Juno Women's Aid					
<b>High Priority Recommendations</b> None	<p style="text-align: center;"><b><u>Summary of the recommendations by priority</u></b></p>  <table border="1" data-bbox="1435 1059 1666 1082"><tr><td>High</td><td>Medium</td><td>Low</td></tr></table>		High	Medium	Low
High	Medium	Low			