

# Audit and Governance Committee



Date of meeting:	20 March 2023
Title of Report:	<b>Audit Actions Review</b>
Lead Member:	Cllr Mark Shayer
Lead Strategic Director:	Andy Ralphs, Strategic Director of Customer and Corporate Services
Author:	Paul Looby, Head of Corporate Finance
Contact Email:	<a href="mailto:paul.looby@plymouth.gov.uk">paul.looby@plymouth.gov.uk</a>
Your Reference:	PL/AC/
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

To provide the Committee with an update on the tracking of Audit recommendations from Grant Thornton and Devon Audit Partnership.

## Recommendations and Reasons

Members of the Audit and Governance Committee to note the content of the report.

Reason: To update members on the progress of implementing audit recommendations.

## Alternative options considered and rejected

None as the Committee agreed to receive an update of all audit recommendations.

## Relevance to the Corporate Plan and/or the Plymouth Plan

The implementation of all agreed audit recommendations are fundamentally linked to delivering the priorities within the Council's Corporate Plan and assists with ensuring limited resources are allocated to priorities which will maximise the benefits to the residents of Plymouth.

## Implications for the Medium Term Financial Plan and Resource Implications:

Delivery of the audit plan will assist the Council in delivering value for money services.

## Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations.

## Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

Implementation of agreed audit recommendations is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

## Appendices

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
I	Devon Audit Partnership Audit							

## Background papers:

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

## Sign off:

Fin	DJN.2 2.23.3 90	Leg	EJ/1223 /17.2.23 (1)	Mon Off	Click here to enter text.	HR	Click here to enter text.	Assets	Click here to enter text.	Strat Proc	Click here to enter text.
Originating Senior Leadership Team member Brendan Arnold, Service Director Finance & S151											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed 24/02/23											
Cabinet Member approval: Cllr Mark Shayer											
Date approved: 24/02/2023											

**Audit Action Review****I. Introduction**

- I.1 Audit Committee has agreed to receive regular reports which set track the completion of agreed recommendations to improve controls and minimise exposure to risk. This will provide ongoing assurance to Senior Management and Members (Audit & Governance Committee) that scheduled actions are taking place. As previously reported the Council recognises and responds promptly and effectively to the independent assurance work completed by our external auditors, Grant Thornton (GT) and our internal auditors, Devon Audit Partnership (DAP).
- I.2 The audit recommendations set out by Grant Thornton in their report to the Audit and Governance Committee on 28 November 2022 will be addressed in a separate report to this Committee.

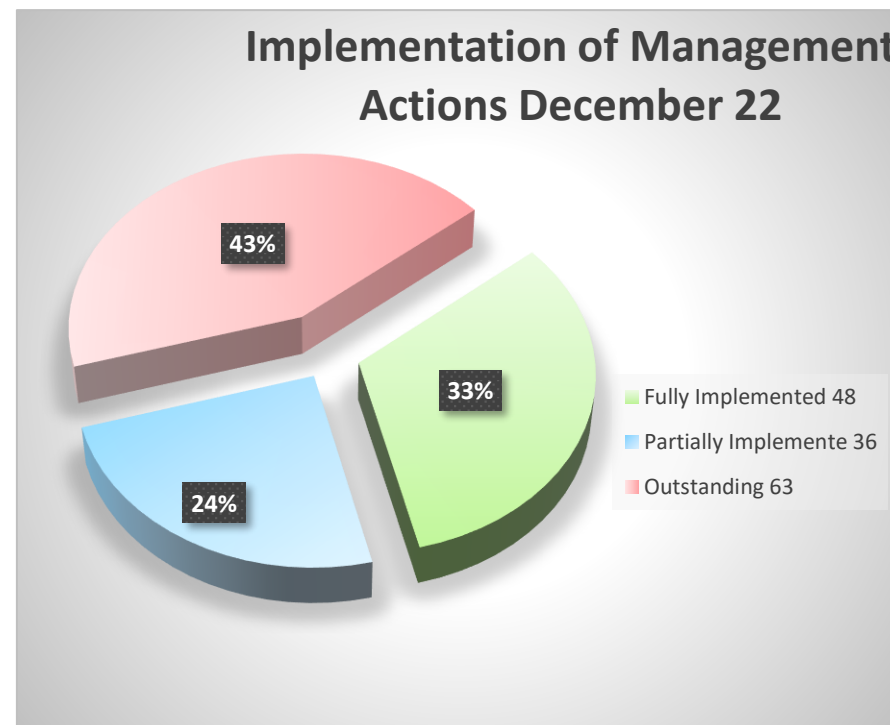
## Status of Internal Audit Recommendations December 22

The chart to the right provides an overall breakdown of progress made by management in implementing management actions in response to audit reports. The pie chart shows the figures in percentage format and the legend details the actual numbers.

Not all recommendations can be quickly and easily implemented with some having other, longer dependencies which have to be addressed, before the recommendation can be actioned.

In addition to the 48 recommendations showing as fully implemented (including those where no further action is to be taken), management responses received indicate that a further 36 recommendations are currently work in progress (partially implemented). See Table 1 below for breakdown across audits.

Of the 63 recommendations not yet implemented, it should be noted that 17 (27%) are the result of four audit reviews where management actions have only been agreed towards the end of quarter 3 of the current year (22/23). Table 2 below provides a brief summary of all of the recommendations which are now overdue (including those which have been partially implemented), based on the target date provided by management when the draft report was finalised.



<b>Table I</b>					
<b>Audits</b>	<b>Total Number of Recommendations</b>	<b>Fully Implemented</b>	<b>No Further Action</b>	<b>Partially Implemented</b>	<b>Not Yet Implemented</b>
Council Tax	1				1
Purchasing & Creditors **	4		1	1	2
Sundry Debtors	8		1	1	6
Main Accounting System	2				2
Payroll System **	10	1		6	3
Business Rates	2				2
Purchasing Cards	11	8		1	2
Electoral Registration (Follow-Up)	3	1			2
Special Guardianship Orders	29	17		12	
Street Lighting	12	8		4	
Risk Management	3			2	1
CYPF Additional Spend	7				7
Disclosure & Barring Service	14	3		2	9
IR35 Off-Payroll Working	8	2		4	2
SEND Contracts	8	1			7
Commercial Waste	6	3		1	2
Software Licensing	5	1		1	3

Street Services Stock Control – Domestic Waste Containers **	9			1	8
Street Services Stock Control – Consumables **	5	1			4
<b>TOTAL</b>	<b>147</b>	<b>46</b>	<b>2</b>	<b>36</b>	<b>63</b>

\*\* Reports issued at the end of Quarter 3.

**Table 2**

<b>Audits</b>	<b>Overdue Recommendations</b>	<b>Summary Update</b>
Council Tax	1	This recommendation relates to the writing off historical 'Gone Aways' which has not been actioned due to resources targeting more recent accounts.
Sundry Debtors	2	These recommendations relate to suspended accounts and refresher training.
Business Rates	2	One recommendation relates to aged debt analysis, the second written refund guidance.
Purchasing Cards	3	Two actions are linked to a broader review of policy and the third has been delayed due to the Finance Restructure.
Electoral Registration	2	One recommendation relating to QA continues to be monitored with a Workshop to progress planned. The second relates to Data Analysis with the Performance Advisor to receive PowerBI training in the coming months.
Special Guardianship Orders	12	<p>These outstanding tasks relate to the implementation of the SG service redesign and the findings of the recent Judicial Review, reported back at DMT in September 2022.</p> <p>Responsibility has recently transferred to new Head of Service (Permanence and Fostering).</p>
Street Lighting	4	These partially completed recommendations continue to be monitored and means of progression identified as and where appropriate.

CYPF Additional Spend	7	No management update received. Eclipse Project Delivery and personnel changes have previously impacted delivery of recommendations and liaison with Internal Audit respectively.
Software Licensing	3	Delt have still to action three recommendations relating to record keeping and licence T&C compliance.
Disclosure & Barring Service (DBS)	12	Resources have been employed creating and issuing new Agency contracts and there has been a re-adjustment of resources following the Business Support Review. The majority of recommendations relate to further strengthening existing processes and a rescheduling of remedial tasks is to be conducted to aid their fulfilment.
IR35	6	Progress has been made on four partially completed recommendations, with little progress on two further medium priority recommendations.
SEND Contracts	6	Implementation delayed by the transfer of responsibility to the Head of Access Learning, Education, Participation and Skills.
<b>TOTAL</b>	<b>60</b>	