TO: GOVERNANCE AND AUDIT COMMITTEE
27 JUNE 2018

INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2017/18
(Head of Audit and Risk Management)

1. Purpose of Report

1.1 Under the Public Sector Internal Audit Standards, the Head of Audit is required to deliver an annual internal audit opinion. This is timed to inform review of the Annual Governance Statement (AGS).

2. Recommendation

2.1 The Governance and Audit Committee note the Head of Audit and Risk Management's Annual Report setting out the Head of Internal Audit's Opinion for 2017/18.

3. Reasons For Recommendation

3.1 To support assurances set out in the Annual Governance Statement and ensure compliance with the Public Sector Internal Audit Standards.

4. Alternative Options Considered

4.1 The Committee could choose not to receive the Head of Audit and Risk Management's Annual Report setting out the Head of Internal Audit's Opinion but would then not be aware of the relevant assurances from Internal Audit supporting the Annual Governance Statement and would not be complying with the Public Sector Internal Audit Standards.

5. Supporting Information

5.1 The Council is required under the Accounts and Audit (England) Regulations to "undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control".

5.2 The Public Sector Internal Audit Standards applicable to local government require the Head of Internal Audit to provide a written report to those charged with governance timed to support the Annual Governance Statement. This report should include an overall opinion on the adequacy of the control environment, a summary of the work that supports the opinion and a statement on conformance with the Public Sector Internal Audit Standards (PSIAS).

5.3 The attached report sets out the Head of Internal Audit's Opinion for 2017/18 summarising the results and conclusions of Internal Audit's work for 2017/18 and a statement on compliance with PSIAS. No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit

give that assurance. This opinion can, therefore, only provide reasonable and not absolute assurance based on the work undertaken and areas audited.

6 Borough Solicitor's Comments

6.1 Nothing to add.

7 Borough Treasurer's Comments

7.1 Nothing to add

8 Equalities Impact Assessment

8.1 Not applicable.

9 Strategic Risk Management Issues

9.1 The Head of Internal Audit's Annual Report provides her opinion on the control environment in place at the Council. Internal control is based upon an ongoing process designed to identify and prioritise risks and to evaluate the likelihood of those risks being realised and the impact should they arise. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure altogether.

10 Consultation

10.1 Not applicable.

11 Background Papers

11.1 Accounts and Audit Regulations
Public Sector Internal Audit Standards

12 Contact For Further Information

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ANNUAL REPORT OF THE HEAD OF AUDIT AND RISK MANAGEMENT:

1. BACKGROUND

The Council is required under the Accounts and Audit (Amendment) (England) Regulations to "undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control."

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide a written report to those charged with governance timed to support the Annual Governance Statement.

2. PURPOSE OF THE HEAD OF INTERNAL AUDIT'S ANNUAL REPORT

The Head of Internal Audit's annual report

- Includes an opinion on the overall adequacy and effectiveness of the organisation's control environment;
- Discloses any qualifications to that opinion together with the reasons for that qualification;
- Presents a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies;
- Draws attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement;
- Compares the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and targets; and
- Comments on compliance with Public Sector Internal Audit Standards and communicates the results of the internal audit quality assurance programme.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure altogether. No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance. This statement and opinion can, therefore, only provide reasonable and not absolute assurance. Internal control is based upon an ongoing process designed to identify and prioritise risks and to evaluate the likelihood of those risks being realised and the impact should they arise.

3. OPINION ON THE CONTROL ENVIRONMENT IN PLACE DURING 2017/18

Based on the work of Internal Audit during the year, the Head of Audit and Risk Management has given the following opinion:

- The Head of Audit and Risk Management is able to provide reasonable assurance that the Authority has sound systems of internal control in place in accordance with proper practices except for those areas of significant weakness as set out in Section 5.3;

- Key systems of control are operating satisfactorily except for the areas referred to in Section 5.3; and

- There are adequate arrangements in place for risk management and corporate governance.

4. CONFORMANCE WITH PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS)

Based on the independent external assessment undertaken in March 2016 and update of the internal assessment as set out in Section 6.1, the Head of Audit and Risk Management can confirm that Bracknell Forest internal audit conforms with PSIAS requirements. The Head of Audit and Risk Management can confirm organisational independence of internal audit activity and absence of impairment to objectivity or independence during 2017/18.

5. INTERNAL CONTROL

5.1 Internal Audit Performance

The resources available for internal audit are finite and not all areas can be covered every year. Therefore internal audit resources are allocated using a risk based approach. The Internal Audit Plan for 2017/18 was considered and approved by the Governance and Audit Committee on 29th March 2017. The delivery of the individual audits in the Internal Audit Plan for 2017/18 was mainly undertaken by Mazars Public Sector Internal Audit Limited. Seven IT audit reviews were delivered by TIAA. All grant claims and six reviews were audited in house and 12 audits were undertaken by Wokingham Borough Council's Internal Audit teams under an agreement under S113 of the Local Government Act 1972 which permits local authorities to provide staffing resources to other authorities.

Some alterations were made to the original plan during the year in response to information gained during the year. These are clearly shown in Appendix 1. At the time of writing this report, 3 reports were issued draft awaiting management responses and 3 were work in progress. All other audits had been finalised or certified in the case of grant claims. The outcome for each audit is summarised at Appendix 1.

5.2 Summary of the Results of Audits

ASSURANCE	FINAL AND DRAFT 2017/18	2016/17
Significant	1	1
Satisfactory	31	42
Limited	13	23
Total for Audits Including an Opinion	**45**	**66**
Grant Claim Certifications	6	4
Memos and reports with no opinion	31	14
Total	82	84

Assurance Opinion Classifications

Assurance Level	Definition
Significant	There is a sound system of internal controls to meet the system objectives and testing performed indicates that controls are being consistently applied
Satisfactory	There is basically a sound system of internal controls although there are some minor weaknesses in controls and/or there is evidence that the level of non-compliance may put some minor systems objectives at risk.
Limited	There are some weaknesses in the adequacy of the internal control system which put the systems objectives at risk and/or the level of compliance or non-compliance puts some of the systems objectives at risk.
No Assurance	Control is weak leaving the system open to significant error or abuse and/or there is significant non-compliance with basic controls.

5.3 Significant Control Weaknesses

In forming its opinion, Internal Audit is required to comment on the quality of the internal control environment, which includes consideration of any significant risk or governance issues and control failures which arise.

a) Council Wide Financial Control

There was some weakening in financial control during 2017/18 as illustrated by the audits where significant weaknesses were found as set out in 5.3b), less frequent performance monitoring within Finance and budget monitoring across departments due

to changes within Finance and processing delays and errors arising from resource pressures and the impact of ongoing transformation changes within Finance. The control environment will need to be strengthened to support the move to self service.

b) Audits with a Limited Opinion and/or Priority 1 Recommendations

During 2017/18, there were no audits where no assurance was given but there were 13 audits which resulted in a limited opinion and 3 reviews where priority 1 recommendations were raised without an opinion. These are set out below;

Council Wide Officers Expenses (also limited in 2016/17))

A priority 1 recommendation was raised due to an unexplained weakness in the IT system where for one of the sample there was no workflow on the system and it was not possible to confirm whether the claim had been checked and approved and by whom prior to payment

SEN Resource Provision

Three priority recommendations were raised on the absence of formal agreements, lack targets and outcomes and ambiguity in the calculation of funding.

Personal Education Plans

Three priority recommendations were raised on the absence of PEPs for pre-school and post 16 children, lack of manager quality review checks and weaknesses in monitoring allocation and use of pupil premium.

Home to School Transport (Follow up memo issued, Also limited in 2016/17)

A priority 1 recommendation was raised again on DBS checks.

Disaster Recovery (Follow up memo issued, Also limited in 2016/17)

Audit found that the original priority 1 recommendation on documentation had been partially implemented as this was still in draft and one priority 2 recommendation on the scheduling of recovery testing had not been implemented and has been escalated to a priority one finding. Officers have advised that delays in testing were due to the major office moves that have been undertaken over the last year.

Cyber Security Gap Analysis Including VOIP

Two priority 1 recommendations were raised on identification of risks and review and update of the Acceptable Use Policy.

Business Rates

One priority one recommendation was raised to address non compliance with write off authorisation procedures

Council Tax

One priority one recommendation was raised to address non compliance with write off authorisation procedures.

Forestcare

Three priority 1 recommendations were raised on direct debit rejections, contract management information and timesheet checks

Creditors (Also limited in 2016/17, 2015/16 and 2014/15)
One priority 1 recommendation was raised on the ongoing system weaknesses around the audit trail in the web version of Agresso.

Car Parks
Two priority 1 recommendations were raised in relation to weaknesses in the reconciliation of card payments and in the evidence to support cancellation penalty charges.

ITRENT Appraisal Module
A limited opinion was given due to weaknesses in the implementation and operation of the system.

c) School Audits Identifying Significant Control issues for Governing Bodies to Address

School 1 (Follow Up -memo issued. Also limited in 2016/17))
The priority one recommendation relating to invoice approval had not been implemented and was re-raised. However as part of the desk exercise to follow up recommendations in December 2017, the School advised that the priority one recommendation had now been implemented***.***

School 2
Five priority one recommendations have been raised relating to weaknesses in budget monitoring, authorisation of invoices, maintenance of an inventory, control over iPads and the audit of the private fund.

School 3
Two priority 1 recommendations. One of these related to two cases where the Data Barring Service check was not received prior to start of employment and there was no risk assessment or manual vetting and barring checks completed. The second priority 1 recommendation related to weaknesses in ordering, goods received checks and authorisation of payments.

School 4
One priority 1 recommendation was raised in respect to weaknesses in ordering, goods received checks and authorisation of payments.

5.4 Follow up of 2016/17 Limited Assurance Opinions

The Internal Audit procedure is for areas given a limited assurance opinion to be re-audited in the following year. The table below sets out the latest audit position on areas given a limited assurance opinion in 2016/17.

DIRECTORATE	AREA	
COUNCIL WIDE AUDITS	OFFICERS EXPENSES	Re-audited in full in quarter 1 and a limited assurance opinion was given. See section 5.3.
	BUDGET SAVINGS	No follow up planned.
CHILDREN,YOUNG PEOPLE AND LEARNING	MOSAIC IT SYSTEM	Follow up deferred to 2018/19
CORPORATE SERVICES	CONSTRUCTION AND MAINTENANCE	As reported to the June 2016 Governance and Audit Committee, the issues have been raised with management at the last 3 audits and no further audit work will be undertaken
	CREDITORS	This was re-audited in quarter 3 and a limited assurance opinion was given again. See section 5.3.
	IT EQUIPMENT	To be re-audited in 2018/19
	HOME TO SCHOOL TRANSPORT (2015/16 AUDIT)	A follow up was carried out in quarter 1 and a priority 1 recommendation was raised. See section 5.3.
	CRM SYSTEM	A follow up was carried out in quarter 2 and all priority 1 issues previously raised had been addressed.
	DISASTER RECOVERY	A follow up was carried out in quarter 2 and a priority 1 recommendation was raised. See section 3.4.
	BACK UPS	A follow up was carried out in quarter 2 and the priority 1 issue previously raised had been addressed.
ENVIRONMENT CULTURE AND COMMUNITIES	LED	No follow up planned
	HIGHWAYS NETWORK ASSETS	Since the audit CIPFA have withdrawn the proposed

DIRECTORATE	AREA	
		accounting changes hence no further audit work will be carried out in this area.
ADULT SOCIAL CARE , HEALTH AND HOUSING	MENTAL HEALTH (2015/16 AUDIT)	This was followed up in quarter 2 and the audit concluded that the priority 1 issue had been addressed although it was noted that the recording of mental health data is on two systems: the Council's and the Berkshire Healthcare Foundation Trust's systems and there was a need to improve recording of reviews on the Council's LAS system.
	BRIDGEWELL	The centre has now closed so no further audit work was taken on the recommendations although an audit was carried out on the controls over assets during the close down process.
	ADULT SOCIAL CARE DEBT MANAGEMENT	This was re-audited in quarter 4. And it was found that that 4 of the 5 recommendations had been addressed including the 2 priority 1 recommendations.
SCHOOL GOVERNING BODIES	SCHOOL 1	Followed up in quarter 1. Audit found that that the priority one recommendation had been addressed.
	SCHOOL 2	Followed up in quarter 1 and a priority 1 recommendation was raised again. As part of the desk exercise to follow up recommendations in December, the School advised that the priority one recommendation had been addressed.
	SCHOOL 3	Followed up in quarter 1. Audit found that that the priority one recommendation had been addressed.

DIRECTORATE	AREA	
	SCHOOL 4	Followed up in quarter 1. Audit found that that the two priority one recommendations had been addressed.
	SCHOOL 5	A follow up was undertaken before the school became an academy and it was found that the priority 1 recommendation had been addressed.
	SCHOOL 6	Follow up audit deferred due to sickness in the school.

5.4 Follow up of Audit Recommendations

Managers are required to provide an update on progress to implement recommendations. The outcome of follow up work on reports from 2016/17 and 2017/18 is set out in Appendix 2 and indicates that management responded that 78% of recommendations have already been implemented.

6. REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT

6.1 Compliance with Public Sector Internal Audit Standards

The Public Sector Internal Audit Standards (PSIAS) came into effect on 1 April 2013. These standards provide a consistent framework for all internal audit services in the public sector across the UK. There is a requirement in the Standards for the Head of Audit and Risk Management to report on conformance with the PSIAS in her annual report based on the outcome of internal and external assessment of compliance. PSIAS Standard 1312 states that *"External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation…"*

The external assessment of Bracknell Forest Council's internal audit services was carried out in March 2016 when the conclusion was that internal audit at Bracknell Forest Council generally conforms with the Public Sector Internal Audit Standards with a high level of compliance. Only 4 minor areas for improvement were identified and these have been addressed. In addition, the Council's main internal audit contractor, Mazars engaged consultants to carry out an external assessment of their own compliance with PSIAS in November 2016 and this identified only three minor areas of non-compliance together with one area which would fall due for update arising from the introduction of a new requirement in PSIAS effective from March 2017.

An internal assessment which confirmed the Council's continuing compliance with PSIAS was carried out by the by the Head of Audit and Risk Management in May 2018. During 2017/18, the Internal Audit Charter was reviewed and updated to reflect changes made to the PSIAS to include a mission and core values for internal audit. The revised Charter was approved by the Governance and Audit Committee on 28th March 2018.

6.2 Summary of Internal Audit Performance 2017/18

	Client Questionnaires		Draft Report Produced within 15 Days of Exit meeting
	Received	Satisfactory	
2017/18	34	100%	76%
2016/17	30	100%	77%

6.3 Feedback from Client Quality Questionnaires

The overall response from client questionnaires for 2017/18 was positive with no responses returned where the auditee did not find the audit satisfactory.

7. EXTERNAL INSPECTIONS

7.1 Consideration of the Outcome of External Inspections

In accordance with Public Sector Internal audit Standards the Head of Audit and Risk Management is required to consider the outcome of the external inspections and assessments to inform the development and ongoing review of the Internal Audit Plan for the current and future years and assess if there are any issues relating to the control environment which need to be taken into account in drawing up the annual Head of Internal Audit Opinion. The findings of the various assessments considered when finalising the Head of Internal Audit Opinion for 2017/18 are as follows:

7.2 External Auditors' Annual Audit Letter 2016/17

The Annual Audit Letter 2016/17 from Ernst and Young was presented to the Governance and Audit Committee on 30th September. Ernst and Young issued an unqualified audit opinion for the year ended 31 March 2017. They also issued an unqualified opinion on whether the Council had put in place proper arrangements for securing economy, efficiency and effectiveness.

7.3 External Auditors' Grant Certification Report 2016/17

The Grant Certification Report 2016/17 from Ernst and Young was presented to the Governance and Audit Committee on 31st January 2018. This covered the Housing Benefit Subsidy Claim. No amendments were made to the claim as a result of audit work on the audit work

7.4 OFSTED Inspection of Children's Services

The OFSTED report published in July 2017 following the inspection in April and May concluded overall that children's services at Bracknell Forest Council were good.

7.5 Care Quality Commission (CQC) Inspections

The CQC inspections of Forestcare, Waymead Short Term Care and intermediate services in August 2017 and April 2018 all resulted in overall ratings of "Good".

7.6 School Financial Value Standard

The schools financial value standard (SFVS) is a mandatory requirement for local authority (LA) maintained schools in managing their finances and to give assurance that they have secure financial management in place. It is primarily a tool for governing bodies. The standard consists of 25 questions which governing bodies or management committees should formally discuss annually with the head teacher and senior staff. Schools are required to complete the checklist, and arrange for this to be signed by the Chair of Governors by 31st March each year. All maintained schools completed their 2017/18 SFVS on time. Academy schools are exempt.

8. RISK MANAGEMENT

During 2017/18, the Strategic Risk Register was reviewed quarterly by the Strategic Risk Management Group (SRMG) and twice by the Corporate Management Team (in June and December 2017) as agreed in the Risk Management Strategy. The Register was subject to Member review by the Governance and Audit Committee in June 2017 and January 2018.

Directorate Risk Registers are in place and were generally reviewed and updated quarterly by Departmental Management Teams during 2017/18. These record the significant operational risks for each directorate and inform the update of the Strategic Risk Register. Risk registers are in place for all the major projects at the Council and these are reviewed regularly.

Risk awareness is also being continually raised through the internal audit process, for example during internal audits of project management and by drawing attention to managers' responsibilities for assessing fraud risks and putting controls in place to prevent, deter and detect fraud and focussing on risk management within the contract management process.

9. CORPORATE GOVERNANCE

During 2017/18, the Annual Governance Statement was produced by Legal Services and an action plan to address governance weaknesses was developed and subsequently reviewed.

A number of audits carried out during 2017/18 included elements of governance such as the audits of compliance with the new GDPR requirements, data quality, officers expenses and members expenses.

10. FRAUD AND IRREGULARITY

National Fraud Initiative (NFI)

10.1 The NFI is a biennial data matching exercise first introduced in 1996 and conducted by the Audit Commission to assist in the prevention and detection of fraud and error in public bodies. Bracknell Forest Council is obliged to participate in this. The core mandatory data for submission for the 2016 round was:

- payroll
- pensions
- trade creditors
- housing benefits
- Council Tax
- electoral register
- private supported care home residents
- transport passes and permits (including residents' parking, blue badges and concessionary travel)
- insurance claimants
- licences – market trader/operator, taxi driver and personal licences to supply alcohol
- personal budget (direct payments)
- housing waiting list

Data was submitted to the Audit Commission during the third quarter of 2016/17.

10.2 Matches have been returned for investigation by the relevant teams and to date the following has been identified

- Welfare Services have reviewed 262 of the matches relating to housing benefits and Council Tax Reduction and found errors in 15 cases. In 14 cases these resulted in reductions to housing benefit and identified £7,426.06 of housing benefit overpayments which have been recovered or are in the process of being recovered. In seven of these cases, investigations also resulted in a decrease in Council Tax Reduction.
- One person has been removed from the housing waiting list. This match was identified in the waiting list to in-country immigration matches which identifies instances where a waiting list applicant appears not to be entitled to reside in the UK. Confirmation of immigration status has been requested from the person but they have not responded so have been removed from the list.

Benefits Investigations

10.3 On 1st December 2014, the Council's Benefit Fraud Investigation Officers transferred to the Single Fraud Investigation Service (SFIS) within the Department for Work and Pensions (DWP) as part of the national government programme of centralising the investigation of welfare benefit fraud. The Welfare Service passes cases of overpayments in excess of £3k and cases where fraud is suspected to SFIS for investigation. Members of the public are directed to contact the DWP directly where fraud is suspected and so SFIS receives further fraud information requests where fraud has been reported from another source. During the period April 2017 to March 18 there were 95 referrals to SFIS. We have so far been notified of 7 administrative penalties and 1 prosecution relating to these cases. During the financial year 2016/17, 52 cases were referred and the Welfare Service have been notified of 6 administrative penalties by SFIS.

10.4 From 1st April 2014, if a claimant is notified that they have been overpaid Housing Benefit by £250 or more, which must have occurred wholly after 1st October 2012, Bracknell Forest Borough Council has been able to impose a set Civil Penalty of £50. The £50 Civil Penalty applies if benefit is overpaid because the claimant negligently gave incorrect information and didn't take reasonable steps to correct their mistake or failed to tell the Council about a change or failed to give them information without a reasonable excuse. Between April 2017 and March 2018 the service applied 422 Civil Penalties. From April 2016 Bracknell Forest Council has applied apply penalties of £70 in respect of Council Tax. Between April 2017 and March 2018 the service applied 59 Council Tax Penalties.

10.5 DWP carries out an exercise matching HM Revenue and Customs Real Time Information (RTI) against data held on six social security benefits; (Income Support, Jobseekers Allowance, Housing Benefit, Employment and Support Allowance, Pension Credit and Carers Allowance) to identify cases where claimants have either failed to declare or have under declared earnings and Non State Pension. The project commenced in October 2014 and has resulted in referrals being issued to local authorities where DWP has information that earnings or Non State Pension have not been correctly declared for the purposes of Housing Benefit. From April 2017 to March 2018 Bracknell Forest Council received 1693 referrals of which approximately 50.5% of referrals resulted in a reduction to Housing Benefit and approximately 7.3% resulted in an increase to Housing Benefit. Approximately 47.2% resulted in a reduction to Council Tax Reduction and 6.4% resulted in an increase to Council Tax Reduction. The Service also made the decision to opt in to optional RTI referrals for local authorities on a monthly basis starting June 2016. These are delivered with the existing RTI.

APPENDIX 1

2016/17 AUDIT REPORTS ISSUED DURING 2017/18

* Draft report issued within 15 working days of the exit meeting to discuss audit findings and recommendations

Audit	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
CORPORATE SERVICES Construction and Maintenance Follow Up- additional audit	6/3/17	13/4/17	Yes			X	2	2		Final (already reported to G&A as issued in draft in June 2017)t
ECC Coral Reef Project	13/3/17	12/5/17	Yes		X			3		Final l (already reported to G&A as issued in draft in June 2017)
SCHOOLS College Town Junior	13/3/17	3/5/17	Yes			X	1	8	1	Final (already reported to G&A as issued in draft in June 2017)

2017/18 AUDIT PLAN

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
COUNCIL WIDE										
Officer expenses	2/5/17	28/6/17	Yes			X	1	5	1	Final
Data quality	4/9/17	20/12/17	No		X			3	5	Final
Mileage	13/6/17	23/8/17	Yes		X			7	1	Final
IR35 Compliance	1/7/17	6/9/17	No	N/A- tax advice on particular cases						Final
GDPR Gap Analysis	1/7/17	21/8/17	Yes	N/A- gap analysis report			3	16	3	Final
Grants and payments to the voluntary sector	13/9/17	8/1/18	Yes		X			3		Final
Matrix	13/6/17	7/8/17	Yes		X			6	4	Final
Apprenticeship Levy										Deferred to 18/19
Redundancy Payments	11/12/17	2/2/18	No	X						Final
GRANTS Bus Operators Grant	01/08/17	21/09/17	N/A	N/A – grant certification						Certified
Integrated Transport Block Allocation	05/09/17	21/09/17	N/A	N/A – grant certification						Certified
Pot Hole Fund	05/09/17	21/09/17	N/A	N/A – grant certification						Certified
ASYE	01/06/17	15/6/17	N/A	N/A – grant certification						Certified
Troubled Families Grant (September)	09/08/17	28/09/17	N/A	N/A – grant certification memorandum. Some areas for improvement in supporting evidence noted						Certified
Troubled Families	23/3/18	26/3/18	N/A	N/A – grant certification memorandum. Some areas for						Certified

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Grant (Second Submission)				improvement in supporting evidence noted						
CORPORATE SERVICES Creditors including Controcc transactions	6/11/17	19/1/18	No			X	1	6	1	Final
Debtors including Controcc transactions	30/10/17	16/11/17	Yes		X			4	3	Final
Main Accounting including reconciliations	7/8/17	22/11/17	No		X			2	4	Final
Treasury Management	31/7/17	17/11/17	No		X				4	Final
Payroll and pre employment checks										Work in progress
Cash Management	5/2/18	14/5/18	No		X			1	1	Final
Council Tax	6/11/17	29/11/17	Yes			X	1	4	2	Final
Business Rates	6/11/17	29/11/17	Yes			X	1	6	2	Final
Registration services										Deferred to 2018/19t
Members Expenses and Allowances	22/5/17	12/6/17	Yes		X			2	2	Final
Home to School Transport Follow Up (Ltd 2016/17)	11/7/17	18/8/17	Yes	N/A follow up memo with no opinion			1	2		Final
New Commercial Properties	13/3/18									Work in progress

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
IT AUDIT Disaster Recovery (Ltd 2016/17)	4/7/17	25/8/17	Yes	N/A follow up memo with no opinion			1	3	1	Final
Back Ups (Ltd 2016/17)	3/7/17	25/8/17	Yes	N/A follow up memo with no opinion					1	Final
CRM -(Ltd 2016/17)	17/7/17	26/9/17	Yes	N/A follow up memo with no opinion				1	2	Final
AGRESSO upgrade										Deferred to 2018/19
ITRENT- performance management module IT audit	2/1/18	15/2/18	Yes			X		10	3	Draft issued
Cyber Security Gap Analysis including VOIP IT audit	10/7/17	22/9/17	Yes			X	2	9	3	Final
Helpdesk										Deferred to 2018/19
ECC The Look Out	**20/7/17**	**9/8/17**	Yes		X			4	4	Final
Coral Reef- focused checks on cash and income	7/11/17	15/2/17	No	N/A memo with no opinion				8		Final
Car Parks	26/2/18	6/4/18	Yes			X	2	4	1	Final
Cemetery and crematorium	27/9/17	22/12/17	No		X			1		Final
Maintenance planning	7/2/18	17/4/18	Yes		X			8	2	Final
Highways capital spend										Deferred to qtr 1 of

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
										18/19
Tree Services	5/12/17	1/3/18	Yes		X			13		Final
Building Control and land charges	22/2/18	30/5/18	Yes		X			9	2	Draft issued
IT AUDITS Leisure Management System										Audit cancelled
Library self service and stock purchasing systems										Audit deferred to 2018/19
COUNTER FRAUD Whitegrove Library cash and income spot checks	21/7/17	25/7/17	Yes	N/A follow up memo with no opinion						Final
Ascot Heath Library cash and income spot checks	30/3/17	20/11/17	No	N/A follow up memo with no opinion						Final
Bracknell Leisure Centre cash spot checks	11/10/17	9/11/17	No	N/A follow up memo with no opinion but 3 recommendations						Final
Downshire Golf Complex cash spot checks	3/10/17	9/11/17	No	N/A follow up memo with no opinion						Final
Easthampstead Park Conference Centre cash spot checks	3/10/17	9/11/17	No	N/A follow up memo with no opinion but 2 recommendations						Final
ADULT SOCIAL	22/1/18									Work in

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
CARE, HEALTH AND HOUSING Social care journey										progress
ASCHH Debt Management Follow Up (Ltd 16/17)	12/2/18	26/4//18	No	N/A follow up memo with no opinion					1	Draft issued
Mental Health Follow Up (Ltd 15/16)	11/8/17	5/10/18	No	N/A follow up memo with no opinion				2		Final
Bridgewell Follow Up (Ltd 15/16)	8/11/17	27/11/17	No	N/A closure memo with no opinion						Final
Glenfield House Support Team	17/8/17	20/9/17	Yes		X			4		Final
Emergency Duty Service	24/11/17	18/1/18	Yes		X			5	2	Final
Housing Benefit and Council Tax Reduction	1/12/17	22/1/17	Yes		X			4	2	Final
Housing Applications and Allocations	2/8/17	15/9/17	Yes		X				2	Final
Forestcare	24/7/17	21/9/17	Yes			X	3	7	2	Final
IT Audits Controcc	2/1/18	15/2/18	Yes		X			2	2	Final
LAS	8/1/18	15/2/18	Yes		X			4		Final
CHILDREN, YOUNG PEOPLE AND LEARNING Family Centre	1/11/17	12/3/17	No	N/A memo with no opinion				4		Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Larchwood Unit	16/10/17	31/10/17	Yes		X			3	1	Final
Rowan's and Sycamore Children's Centre	24/9/17	14/11/17	Yes		X			4		Final
Willows and Maples Children's Centres	24/9/17	14/11/17	Yes		X			3	1	Final
Portman Close Youth Centre Operations	11/9/17	12/10/17	Yes		X			3	3	Final
Coopers Hill Youth Centre NRG	11/9//17 1	12/10 /17	Yes		X			2	1	Final
Education Centre	21/11/17	21/2/18	No		X			3	3	Final
Community Learning and Open learning Centre	15/1/18	27/2/18	No		X			5	7	Final
Pupil referral services excl PRU	15/1/18	16/2/18	Yes		X			1	1	Final
IT AUDITS ONE system- review of new module to support assessment of eligibility for extension of early years funding to 30 hours										Audit cancelled
THEMED SCHOOL AUDITS SEN – cross cutting audit of the 4 units at Garth Hill, Meadow vale , GT Hollands and Ranelagh	9/5/17	20/7/17	Yes			X	3	3		Final
Pupil Premium – overall report	1/10/17	10/1/18	Yes		X			6	1	Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Meadow Vale Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				2		Final
College Town Junior Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				6		Final
Owlsmoor Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				1		Final
New Scotland Hill Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				1		Final
Easthampstead Park Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				1		Final
Binfield Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				None		Final
Crown Wood Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				2		Final
Birch Hill Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				5		Final
Uplands Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				None		Final
Fox Hill Pupil Premium Memo	1/10/17	10/1/18	Yes	N/A – memo issued				1		Final
Personal Education Plans	1/7/17	21/8/17	Yes			X	3	6	1	Final
SCHOOLS Whitegrove	7/6/17	20/6/17	Yes		X			7	2	Final
Ascot Heath Infants follow up (Ltd 16/17)	20/6/17	12/7/17	Yes	N/A follow up memo with no opinion				3		Final
Eathampstead Park follow up (Ltd 16/17)	21/6/17	12/7/17	Yes	N/A follow up memo with no opinion				6	2	Final
Great Hollands follow up (Ltd 16/17)	24/5/16	16/6/17	Yes	N/A follow up memo with no opinion					5	Final
Uplands follow up (Ltd 16/17)	27/6/17	12/7/16	Yes	N/A follow up memo with no opinion			1	4		Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Winkfield St Mary follow up (Ltd 16/17)	19/6/17	7/7/17	Yes	N/A follow up memo with no opinion				4	1	Final
Garth Hill	27/11/17	11/12/17	Yes		X			8		Final
Fox Hill	31/10/17	7/11/17	Yes			X	5	10	2	Final
St Michael's Sandhurst	6/11/17	14/11/17	Yes		X			11	1	Final
College Town Junior										Deferred to 2018/19
Ascot Heath Junior	19/3/18	29/3/18	Yes			X	2	10		Final
Wildmoor Heath										Audit cancelled as now an academy
Harmanswater	12/3/18	29/3/18	Yes			X	1	12		Final

APPENDIX 2

FOLLOW UP OF AUDITS (EXCLUDING LMITED ASSURANCE REPORTS)

2016/17 AUDITS

Audit	Recommendations Priority			Outcome
	1	2	3	
ECC Downshire Golf	0	11	0	8 implemented and 3 in progress
Easthampstead Park Conference Centre	0	10	0	One recommendation and part of another recommendation were disagreed. One recommendation is ongoing re the sound equipment and seven recommendations have been completed.
IT AUDITS CONFIRM	0	6	4	Four priority 2 and three priority 3 rec implemented. Two priority 2 and one priority 3 recommendation in progress.
CYPL Pupil Places	0	8	2	One priority 2 and one priority 3 recommendation has been implemented. Three priority 2 recommendations are outstanding. One priority 2 and one priority 3 recommendation not agreed. Two priority 2 recommendations are not yet due as they will be addressed at the time of the new contract although one has been taken into account in drafting the specification.
New Scotland Hill	0	8	0	All implemented
Sandy Lane Primary (Ltd 15/16)	0	7	2	Four priority 2 and one priority 3 recs implemented, Rest are in progress.
St Michael's Hampstead CE Prim (Ltd 15/16)	0	3	1	All implemented except for the priority 3 rec which will go to the fin Committee in Feb 18
Wildridings Primary	0	7	1	All implemented except for one priority 2 and one priority three recommendation.
SEND	0	10	2	All implemented
Residential placements	0	1	2	All implemented
ASCHH Better Care Fund-	0	3	3	One priority three and two priority recommendations implemented and the rest are in progress.
Financial Assessments and Benefits Checks	0	0	3	One not agreed and two implemented
Regalement and Hospital Discharge	0	6	0	One superseded, three implemented and two in progress
Discretionary Housing Payments and Social Fund Payments	0	2	2	One priority 2 and one priority 3 recommendation implemented. The rest are in progress

Audit	Recommendations Priority			Outcome
	1	2	3	
	0	**82**	**22**	

2017/18 AUDITS

Audit	Recommendations Priority			Outcome
	1	2	3	
CORPORATE SERVICES Members Expenses and Allowances	0	2	2	All implemented
CRM system	0	1	2	In progress
ICT Back Ups (Ltd 2016/17)	0	0	3	Implemented
ECC Cemetery and crematorium	0	1	0	In progress
ADULT SOCIAL CARE, HEALTH AND HOUSING Matrix –Agency system	0	6	4	Two priority 2 recommendations implemented. The other recommendations are outstanding.
Mental Health follow up	0	3	0	Two recommendations implemented
Glenfield House Support Team	0	4	0	Implemented
Housing Applications and Allocations	0	0	2	Implemented
CYPL Larchwood Unit	0	3	1	Implemented
Rowan's and Sycamore Children's Centre	0	4	0	Implemented
Willows and Maples Children's Centres	0	3	1	Implemented
Portman Close Youth Centre Operations	0	3	3	5 implemented and 1 priority 2 recommendation in progress
Coopers Hill Youth Centre NRG	0	2	1	Implemented
SCHOOLS Whitegrove	0	7	2	All implemented except one priority 2 rec on completing the fraud health checklist due

Audit	Recommendations Priority			Outcome
				by the end of the year
Ascot Heath Infants follow up	0	3	0	All implemented
Eathampstead Park follow up	0	6	2	7 implemented and 1 priority 2 in progress
Winkfield St Mary follow up	0	4	1	Implemented.
Garth Hill	0	8	0	Six implemented, 2 in progress
	0	**60**	**24**	