



Audit and Risk Management Committee

Date:	Monday, 25 November 2013
Time:	6.00 pm
Venue:	Committee Room 1 - Wallasey Town Hall

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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members are asked to consider whether they have any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

2. MINUTES

To approve the accuracy of the minutes of the meeting held on 14 November 2013 (to follow)

3. ANNUAL AUDIT LETTER (Pages 1 - 14)

4. INTERNAL AUDIT UPDATE (Pages 15 - 44)

5. CHANGES IN PAYMENT DESTINATION FRAUD (Pages 45 - 48)

6. STATEMENT OF ACCOUNTS 2012/2013 (Pages 49 - 62)

**7. MANAGEMENT OF INSURANCE AND CORPORATE RISK
(Pages 63 - 66)**

**8. ORGANISATIONAL FIRST AID AT WORK AND FOOD HYGIENE
TRAINING (Pages 67 - 70)**

**9. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR
(PART 1)**

**10. EXEMPT INFORMATION
- EXCLUSION OF MEMBERS OF THE PUBLIC**

**11. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR
(PART 2)**

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The Annual Audit Letter for Wirral Council

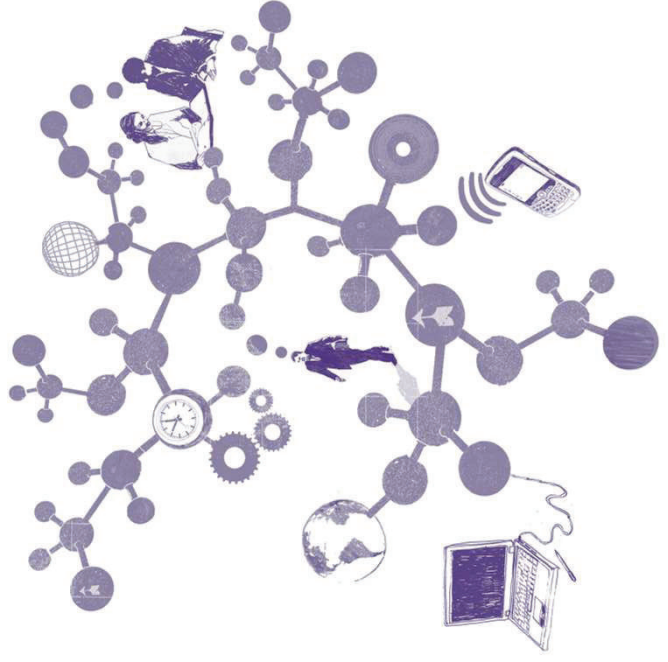
Year ended 31 March 2013

28 October 2013

Page 1

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Contents

Section	Page
1. Executive summary	3
2. Audit of the accounts	6
3. Value for Money	9

Appendices

A Reports issued and fees

Section 1: Executive summary

- 01. Executive summary
- 02. Audit of the accounts
- 03. Value for Money

Executive summary

Purpose of this Letter

Our Annual Audit Letter ('Letter') summarises the key findings arising from the following work that we have carried out at Wirral Council ('the Council') for the year ended 31 March 2013:

- auditing the 2012/13 accounts and Whole of Government Accounts submission (Section two)
- assessing the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (Section three)

The certification of grant claims and returns is currently in progress.

This Letter is intended to communicate key messages to the Council and external stakeholders, including members of the public. We reported the detailed findings from our audit work to those charged with governance in the Audit Findings Report on 30 September 2013.

Responsibilities of the external auditors and the Council

This Letter has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission (www.audit-commission.gov.uk).

The Council is responsible for preparing and publishing its accounts, accompanied by an Annual Governance Statement. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources (Value for Money).

Our annual work programme, which includes nationally prescribed and locally determined work, has been undertaken in accordance with the Audit Plan that we issued on 8 March 2013 and was conducted in accordance with the Audit Commission's Code of Audit Practice ('the Code'), International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.

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Audit conclusions

The audit conclusions which we have provided in relation to 2012/13 are as follows:

- an unqualified opinion on the Council's accounts which give a true and fair view of the financial position as at 31 March 2013 and its income and expenditure for the year;
- an unqualified opinion on Merseyside Pension Fund accounts which give a true and fair view of the financial position as at 31 March 2013 and its income and expenditure for the year;
- a qualified "adverse" conclusion in respect of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Our work highlighted that the Council's arrangements for securing financial resilience were inadequate during the year. More robust arrangements have now been put in place and are taking effect. Our work also highlighted that the Council's arrangements for challenging how it secures economy, efficiency and effectiveness were inadequate during the year. This is recognised in the Council's Improvement Plan;
- an unqualified opinion on the council's Whole of Government Accounts submission;
- the certificate of completion of the audit is still outstanding pending consideration of a matter raised by local electors;
- our work on certification of grant claims is on-going, as expected at this time of year. Our work to date has not identified any issues which we wish to highlight. The detailed findings of our work will be reported in our Grant Certification report upon completion of our work.

Executive summary

Key areas for Council attention

We summarise here the key messages arising from our audit for the Council to consider as well as highlighting key issues facing the Council in the future.

Wirral Council experienced a particularly challenging year during 2012/13 with the loss of key officers, the need to make significant savings, the introduction of a voluntary Improvement Board and continuing concerns raised by regulators. Residents also raised a number of concerns with us.

A new Chief Executive and Interim Director of Resources joined the Council in Autumn 2012 and started to put in place improved arrangements to manage financial and governance risks and secure better value for money. Some of these arrangements are now in place and are taking effect. Future financial challenges and changes in the overall governance and control environment will continue to test these arrangements and whilst improvements have been made some significant risks still remain, as in many other councils. This is recognised by the Council and plans are in place or being drawn up to respond to the challenges.

The audit identified only one non-material misstatement and a small number of disclosure errors. We also raised concerns about a number of internal control deficiencies that we identified during the course of our audit, some of which have been highlighted in previous years.

Acknowledgements

This Letter has been agreed with the Chief Executive, Strategic Director, Transformation and Resources and the Interim Director of Finance and will be presented to the Audit and Risk Management Committee on 25 November 2013.

We recognise that this has been a particularly challenging year for the Council and would like record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

Grant Thornton UK LLP
28 October 2013

Section 2: Audit of the accounts

01. Executive summary
- 02. Audit of the accounts**
03. Value for Money

We issued a unqualified opinions on the Council's and Merseyside Pension Fund's 2012/13 accounts on 30 September 2013 and an unqualified Whole of Government Accounts opinion on 4 October 2013.

The certificate of completion of the audit has not been given as we are still considering matters brought to our attention by local authority electors.

Audit of the accounts

Audit of the accounts

The key findings of our audit of the accounts are summarised below:

Preparation of the Council's accounts

The Council presented us with draft accounts on 28 June 2013, in accordance with the national deadline. Working papers were made available from the start of the audit fieldwork, which commenced on 1 July 2013. The standard of the accounts, working papers and responses to our queries was not at as high a standard as in the previous year, although we are aware of the significant pressures on the finance team due to the in year changes. Despite these pressures our audit identified only one non-material misstatement of £1.2 million and a small number of disclosure errors.

Issues arising from the audit of the Council's accounts

The Council decided not to adjust for the misstatement of £1.2 million as although it would have reduced assets in the balance sheet and increased expenditure, the sum was not material to the accounts and would not have impacted upon the reported financial position at 31 March 2013.

We raised concerns about a number of internal control deficiencies that we identified during the course of our audit in respect of:

- Accounts payable - there is a risk the Council is committed to expenditure that has not been authorised in line with standing orders and processes;
- Property, plant and equipment - the Council may not have sufficient controls in place to assure themselves of the accuracy of Property, Plant and Equipment disclosures.

- Employee remuneration – there is a risk to a key control, in respect of starters
- Journals – documentation relating to journal authorisation processes was not retained during the year thus reducing the audit trail.

Management are taking action to implement our recommendations.

Preparation of and issues arising from the audit of Merseyside Pension Fund's accounts

The financial statements and supporting working papers were prepared to a good standard, and we received prompt and full responses to our requests for additional information during the course of the audit.

We identified one unadjusted error in the financial statements for 2012/13.

Property rental income in the fund account was understated by £3.194m, and the total net assets of the fund also understated by £3.194m. If the accounts had been amended for this error then the total net assets of the fund would have increased from £5.819bn to £5.822bn. Management will reflect this income in the financial statements for 2013/14.

Annual governance statement (AGS)

The AGS was presented with the pre-audit accounts and signed as appropriate by the Chief Executive and Leader in line with the Accounts & Audit regulations and Code. Our review during the audit identified a number of areas for improvement and compliance with CIPFA best practice, which the Council have taken on-board.

Audit of the accounts

Conclusion

Prior to giving our opinion on the accounts, we are required to report significant matters arising from the audit to 'those charged with governance' (defined as the Audit and Risk Management Committee at the Council). We presented our report to the Audit and Risk Management Committee on 18 September 2013 and updated this and circulated it to officers and members on 30 September 2013. We summarise only the key messages in this Letter.

We issued an unqualified opinion on the Council's 2012/13 accounts on 30 September 2013, meeting the deadline set by the Department for Communities and Local Government. Our opinion confirms that the accounts give a true and fair view of the Council's financial position and of the income and expenditure recorded by the Council.

We also issued an unqualified opinion on Merseyside Pension Fund's 2012/13 accounts on 30 September 2013.

Our Audit Report stated that we could not formally conclude the audit and issue an audit certificate until we had:

- completed our consideration of matters brought to our attention by local authority electors – these matters are still outstanding but we are satisfied that they do not have a material effect on the financial statements or a significant impact on our value for money conclusion; and
- completed our work on the Council's Whole of Government Accounts – this work is now complete and we issued an unqualified opinion on 4 October 2013 in line with the deadline.

Section 3: Value for Money

- 01. Executive summary
- 02. Audit of the accounts
- 03. Value for Money

We issued a qualified 'adverse' conclusion and a 'report by exception' in respect of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources on 30 September 2013.

Value for Money

Scope of work

The Code describes the Council's responsibilities to put in place proper arrangements to:

- secure economy, efficiency and effectiveness in its use of resources
- ensure proper stewardship and governance
- review regularly the adequacy and effectiveness of these arrangements.

We are required to give a VFM conclusion based on the following two criteria specified by the Audit Commission which support our reporting responsibilities under the Code:

- **The Council has proper arrangements in place for securing financial resilience.** The Council has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future.
- **The Council has proper arrangements for challenging how it secures economy, efficiency and effectiveness.** The Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.

The Audit Commission's guidance also requires us to report by exception on any other significant additional matters that come to our attention and which we consider to be relevant to proper arrangements to secure economy, efficiency and effectiveness in the use of resources.

Key findings

Securing financial resilience

We have undertaken a review which considered the Council's arrangements against the three expected characteristics of proper arrangements as defined by the Audit Commission:

- financial governance
- financial planning
- financial control.

Our work highlighted that the Council's arrangements for securing financial resilience were inadequate during the year. More robust arrangements have now been put in place and are taking effect but the Council accepts that for 2012/13 it was less than adequate and improvements were needed in its financial management. Further details are provided in our Financial Resilience report issued in September 2013.

Challenging economy, efficiency and effectiveness

We have reviewed whether the Council has prioritised its resources to take account of the tighter constraints it is required to operate within and whether it has achieved cost reductions and improved productivity and efficiencies.

Our work highlighted that the Council's arrangements for challenging how it secures economy, efficiency and effectiveness were inadequate during the year. These issues are acknowledged in the Authority's Improvement Plan and Annual Governance Statement. Further details are provided in our Audit Findings Report issued in September 2013.

Overall VFM conclusion

On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, the matters reported in the basis for adverse conclusion paragraph in the Audit Report prevent us from being satisfied that in all significant respects Wirral Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2013. We issued a qualified 'adverse' value for money conclusion on 30 September 2013.

Report by exception

We issued a report by exception relating to significant weaknesses in the Authority's arrangements for:

- promoting and demonstrating the principles and values of good governance; and
- managing risks and maintaining a sound system of internal control.

Appendices

Appendix A: Reports issued and fees

We confirm below the fee charged for the audit and provision of non-audit services.

Fees

	Per Audit plan £	Actual fees £
Council Audit Fee	211,680	211,680
Grant certification fee (1)	42,600	42,600
Total fees	254,280	254,280

Fees for other services

Service	Fees £
Independent review of Wirral Council's BIG and ISUS schemes (Forensics department tender)	50,000 (estimate)

Note:

- (1) Certification work is on-going and this is our current estimate. The final fee will be reported to the Audit and Risk Management Committee later in the year in our annual certification report.
- (2) The fees for Merseyside Pension Fund have been recently been finalised and agreed by the Audit Commission as £39,062.00.

Reports issued

Report	Date issued
Audit Plan	8 March 2013
Audit Findings Report	4 September 2013 updated and re-issued 30 September 2013
Grant Certification report	Due December 2013
VfM – Financial Resilience Report	4 September 2013
Annual Audit Letter	28 September 2013



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WIRRAL COUNCIL

AUDIT AND RISK MANAGEMENT COMMITTEE

25 NOVEMBER 2013

SUBJECT:	INTERNAL AUDIT UPDATE
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF INTERNAL AUDITOR
KEY DECISION ?	NO

1.0 EXECUTIVE SUMMARY

1.1. This report identifies and evaluates the performance of the Internal Audit Section and includes details of any issues arising from the actual work undertaken during the period 1 September to 31 October 2013. There are 5 items of note concerning audit work undertaken that are brought to the attention of the Members for this period and these are identified at Section 2.2.

2.0 BACKGROUND AND AUDIT OUTPUT

2.1. Internal Audit recently introduced a more effective reporting mechanism for Members of the Audit and Risk Management Committee that summarises audit work completed and identifies issues raised on a more timely monthly basis. This report supports the revised arrangements by focussing on the following:

- Any items of note arising from audit work conducted,
- Any issues arising that require actions to be taken by Members,
- Performance information relating to the Internal Audit Service,
- Developments being undertaken to improve the effectiveness of the Internal Audit Service.

The information contained within this report is for the period 1 September to 31 October 2013.

2.2. Items of Note

2.2.a. Central Libraries

An audit was conducted during the period to evaluate the adequacy and effectiveness of the controls in operation at the Wallasey Central Library. The aim of the audit was to establish if the existing control systems were fit for purpose and effectively managed. The audit generated 'minimum' assurance opinions for the system and compliance and a 'moderate' opinion for the corporate impact. Nineteen recommendations were identified in a report for management of which four were High priorities.

Following this audit the Head of Business Processes requested that similar audits be undertaken at the remaining three central libraries. This audit generated findings consistent with those identified at Wallasey and resulted in an action plan being developed and agreed with the Principal Librarian to address all of the weaknesses and areas for development within an agreed timescale. The action plan identified 13 recommendations of which 6 are

High priority and include issues across the full range of activities that include the following:

- Income/Charging
- Asset management
- Security
- Cash handling.

Senior management have reacted very positively to the reports and have agreed the action plan and associated timescales, many of the actions have in fact been implemented with immediate effect. Follow up work is scheduled for February 2014 where progress will be evaluated and reported, Members of this Committee will be notified of the findings of this work and any issues escalated for attention and action.

2.2.b Change in Payment Destination Fraud Investigation

At the request of Members this investigation is the subject of a separate report to this Committee identifying the work undertaken and findings including recommendations arising.

2.2.c External Assurances Update

At the September 2013 meeting of this Committee a report was presented identifying progress made by the Council to implement recommendations arising from external inspection reports. At that time the majority of the required actions had been undertaken, however a small number of actions were identified as being in progress relating to Safeguarding, Related Party Transactions and Retrospective 1Business Orders. Work is currently being undertaken by Internal Audit to verify the progress made in this area and to undertake testing to evaluate the effectiveness of actions taken. The findings from this work will be included in the monthly summary report for ARMC Members and formally reported to this Committee upon completion.

2.2.d Policies and Procedures

An audit was undertaken in the period to review the adequacy of the controls in operation over the management of corporate Policies and Procedures. The aim of the audit was to establish if the existing system was fit for purpose and effectively controlled. The audit generated a 'minimum' assurance opinion for the control system and a 'moderate' opinion for the corporate impact. Ten recommendations were identified in a report for management of which 6 were High priorities. The High priority recommendations relating to this work have been identified in detail on the Internal Audit Activity Summary for September 2013 and are summarised below:

- Introducing more effective processes for compiling and managing corporate policies and procedures that include streamlining those policies in place, removing those no longer relevant and regularly refreshing those that are in constant use for continued effectiveness.
- Implementing a more robust system for ensuring that all corporate policies and procedures are effectively communicated to staff utilising all available communications media.

- Implementing a system that ensures awareness and understanding of key corporate policies amongst the workforce that includes training sessions, targeted briefings and ongoing management compliance checks.

The Head of HR has responded extremely positively to the report findings and has confirmed that a new team has been established with a dedicated work programme focussing on corporate policy and procedure. The teams remit is to include the implementation of all actions identified during the review to improve systems in operation within agreed timescales.

Follow up work to evaluate progress made towards implementing actions identified is scheduled for January 2014 and the findings of this work will be reported to Members of this Committee in due course.

2.2.e Invigor8 Direct Debit Investigation

An internal investigation was undertaken following an incorrect direct debit collection totalling £986,935.00 was processed by the Council regarding membership fees for Invigor8. The purpose of the review was to establish the reason for the error and to evaluate the adequacy and effectiveness of controls present within the existing system.

Findings indicated that the IBACS Direct Debit system incorrectly identified the wrong version of a transmission file and exported this in error. Whilst it is not clear why the IBACS system performed in this manner weakness within the existing control systems contributed towards the error not being identified and the payment being stopped. An action plan was prepared for senior management identifying six High priority recommendations with an immediate implementation date to improve systems in operation and prevent recurrence of a similar incident in the future. Internal Audit have been advised that all actions have been implemented, follow up work will be undertaken later this month to confirm this and evaluate the effectiveness of the new arrangements.

2.3 Outstanding Audit Recommendations

2.3.a Attached at Appendix 1 is a table identifying information relating to those audits where recommended actions included in audit reports have not currently been implemented.

2.3.b It is my intention in future to include this table as an attachment to this report on a routine basis identifying only those items that remain outstanding and may require the attention of, or action by Members. Where items are addressed by officers those entries will be removed from the report on a rolling basis. This additional information is designed to address concerns raised by Members at a previous meeting regarding retaining sight of issues flagged for attention.

2.4 Internal Audit Performance Indicators

2.4.a The Service constantly evaluates and measures the effectiveness of its performance in terms of both quality and productivity by means of a number of performance indicators in key areas as identified below. These include

delivery of the annual Internal Audit Plan and ensuring that all of the audits identified in the plan are completed on schedule. This is particularly important at the present time as the requirement for Internal Audit involvement in a number of important corporate initiatives has increased dramatically.

IA Performance Indicator	Target	Actual
Percentage delivery of Internal Audit Plan 2013/14.	50	45
Percentage of High priority recommendations agreed with clients.	100	100
Percentage of returned client survey forms indicating satisfaction with the Internal Audit service. (Numbers returned indicated in brackets)	80 (65)	95 (60)
Percentage of internal audit reports issued within 10 days of the completion of fieldwork.	100	96

2.4.b There are currently no issues arising.

2.5 Internal Audit Developments

2.5.a Good progress is being made to deliver the Internal Audit Improvement Plan which is designed to drive a number of developments and initiatives aimed at increasing the overall efficiency and effectiveness of systems of internal audit across the Council. Of the 18 actions identified 16 have now been fully implemented and good progress has been made in respect of the remaining actions within the agreed timescales. Actions undertaken to date include:

- The implementation of a revised audit report format incorporating opinions on systems, compliance and organisational impact,
- The introduction of Letter of Engagement for all audits,
- The introduction of a Training and Development Program for audit staff,
- Developed reporting arrangements for Chief Officers and Members,
- The implementation of a three year strategic internal audit plan directly linked to the key corporate priorities,
- Improved engagement with Chief Officers, managers and Members,
- The introduction of enhanced escalation procedures for audit issues identified,
- Improved reporting arrangements for ARMC members including monthly RAG rated update reports,
- Developed collaborative arrangement with Liverpool Council's Internal Audit services,
- Significantly restructuring and refocusing the service in line with other best practice providers,
- Regular scheduled attendance at departmental DMT's and the Chief Executives Strategy Group by the Chief Internal Auditor,
- The Implementation of a RAG ratings system for audit opinions and action progress,

- The introduction of ongoing benchmarking against other audit service providers,
- Raised awareness and profile of the Internal Audit service across the Council,
- The introduction of a developed Annual Governance Statement process across the Council promoting corporate ownership,
- The introduction of a service level agreement with the Pension Fund,
- Enhanced relations with Chief Internal Auditors from across the North West region.

2.5.b The improvement plan was designed to be delivered in the current financial year and implement some significant and fundamental changes to the nature of the service and its delivery. This has undoubtedly been achieved however, it is acknowledged that there will always be the need to constantly challenge and evaluate the effectiveness and efficiency of the way in which the service is delivered well into the future. Consequently it is my intention to continue to utilise the Improvement Plan vehicle on a constantly rolling basis adding new improvement targets and reporting on progress in similar fashion to as at present. Improvement targets added to date include:

- Self-assessment against the Public Sector Internal Auditing scheduled for this period, reporting outcomes and actions to Members upon completion,
- Implementation of the Excellent Internal Auditor Framework,
- Development of the Internal Audit Intranet facility as a vehicle for communicating audit and risk related issues to clients.
- Implementing an IA staff development programme incorporating post audit assessments to identify areas for improvement/development.

2.5.c The first UK Public Sector Internal Audit Standards came into force in April 2013 and all local authorities are required to evaluate implementation of the new standards from April and report on intended compliance with these by June 2014 with full implementation and compliance required by 2018. Internal Audit plan to undertake a self assessment exercise against the standards over the coming months and report the findings and any required actions to this Committee upon completion.

3.0 RELEVANT RISKS

- 3.1 Appropriate actions are not taken by officers and Members in response to the identification of risks to the achievement of the Council's objectives.
- 3.2 Potential failure of the Audit and Risk Management Committee to comply with best professional practice and thereby not function in an efficient and effective manner.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 No other options considered.

5.0 CONSULTATION

- 5.1 Members of this Committee are consulted throughout the process of delivering the Internal Audit Plan and the content of this regular routine report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 There are none arising from this report.

8.0 LEGAL IMPLICATIONS

8.1 There are none arising from this report.

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising from this report.

12.0 RECOMMENDATIONS

12.1 That the report be noted.

13.0 REASON FOR RECOMMENDATION

13.1 To provide the Members with assurance that the Council is taking appropriate measures to comply with statutory requirements to provide an adequate and effective internal audit service.

13.2 To ensure that risks to the Council are managed effectively.

13.3 To ensure that the Council complies with best practice guidance identified in the CIPFA publication 'A Toolkit for Local Authority Audit Committees'.

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APPENDICES

Appendix 1: Audit Recommendations Status Report

REFERENCE MATERIAL

Internal Audit Plan 2013/14

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit and Risk Management Committee	Routine report presented to all meetings of this Committee.

**INTERNAL AUDIT RECOMMENDATIONS STATUS REPORT
PERIOD: 01 APRIL 2013 TO 31 OCTOBER 2013**

<u>Summary</u>	Total	R	A
1. Completed Audits	32	0	32
2. Follow Up Audits Completed	19	1	18

INTERNAL AUDIT RECOMMENDATIONS STATUS REPORT
PERIOD: 01 APRIL 2013 TO 31 OCTOBER 2013
Audits Completed - RED or AMBER flag

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	RAG Status
Contract Final Account - Greasby Children's Centre 23/05/2013	F&W [CYPD]	Substantial	Limited	Moderate	None (3 medium recommendations)	3 (0)	Oct 13 Strategic Director Regeneration and Environment	Nov 13	Recommendations agreed by Group Leader - Quantity Surveyor.	A
IMPF - Investments, Governance and Strategy 08/05/2013	Transformation and Resources (T&R) [Pension Fund]	Substantial	Maximum	Moderate	No high priority recommendations.	2 (0)	Dec 13 Strategic Director Transformation and Resources	Dec 13	The recommendations will be followed up during the Investment audit due December 2013.	A
Payroll Core System (EAT) 31/05/2013	T&R [Finance]	Substantial	Substantial	Minor	No high priority recommendations.	3 (0)	Dec 2013 Strategic Director Transformation and Resources	Dec 13	All recommendations agreed and a positive response received.	A
Performance Management Framework 28/05/2013	Chief Executive [Policy, Performance and Public Health]	Minimum	Minimum	Major	<p>R1) i) The compilation and review of performance management policies and procedures should be completed (with approval by the Head of Commissioning, Performance and Business Intelligence being documented) to ensure those in place are fit for purpose.</p> <p>ii) These policies and procedures should then be disseminated accordingly and adhered to in practice.</p> <p>R2) A fit for purpose performance management framework, which is corporately driven, adequately resourced and consistently applied across the Council, must be put in to operation; ensuring: a) Benchmarking data and best practice are utilised; b) All departments/sections and appropriate officers are engaged in the process and have received necessary training; c) A system is in place for swiftly addressing and implementing recommendations from internal and external sources.</p> <p>R3) i) The most effective structure and format of performance reports (e.g. utilising knowledge of the Commissioning, Performance and Business Intelligence Team; best practice; management information requirements; reporting functions of the performance management information system) should be decided upon and applied at all levels to ensure consistency in reporting. It should then be determined as to who should receive such reports and when, to ensure the data and information being reported is timely and relevant.</p> <p>ii) It should be ensured that a reporting timetable is produced and disseminated to relevant staff (in advance of the start of the financial year to which it relates) and is adhered to in practice.</p> <p>iii) It should also be decided how best to highlight and report upon the performance outcomes and achievements being delivered once the new corporate performance arrangements have been put in place.</p> <p>R4) i) It must be ensured that the performance management information system being used is fit for purpose. Hence further testing of the system currently being utilised, Concerto, must take place to ensure: its reporting functions are robust; and it is capable of delivering the aims and objectives required of a performance management information system.</p> <p>ii) Due to the many changes that have taken place across the Council it must be ensured that all users of the performance management information system have received relevant training.</p>	9 (8)	March 2014 Strategic Director Transformation and Resources	Nov 13	It has been acknowledged there have been serious weaknesses in the system. The recommendations have been agreed and acknowledged as needing to be implemented. The department of Policy Performance and Public Health has responded very positively to the report and has initiated planned improvements in this area that include all items identified during the audit within agreed timescales.	A

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	FAG Status
		Minimum	Minimum	Major	<p>R5) i) Appropriate staff should be designated to calculate, review and be accountable for each performance indicator; ensuring: a) Roles and responsibilities are clearly understood and carried out; b) Training needs are identified and appropriate training provided.</p> <p>ii) In order to help embed performance management across the Council, steps should be taken to ensure all officers understand what it is, and their roles and responsibilities in this area (this could be via, for example, performance appraisals, or more generally - team meetings).</p> <p>R6) i) The volume of corporate and departmental performance indicators should be restricted (e.g. having to satisfy set criteria) to ensure only those deemed most relevant are utilised for monitoring performance and outcomes against objectives.</p> <p>ii) It must be ensured there are clear links between aims and objectives and associated targets and indicators contained within the Corporate Plan, Departmental Plans and Team/Individual Plans (thus providing the 'golden thread' through the organisation).</p> <p>R7) i) A robust corporately applied approach to monitoring performance, addressing poor performance and sharing good practices where performance is over target, must be implemented; ensuring:</p> <p>a) Appropriate monitoring parameters/tolerances are documented and applied for each performance indicator (PI) (ensuring a PI can not be shown as 'Green' if the output is below the target).</p> <p>b) Appropriate corrective action (that is 'SMART') is required to be undertaken in accordance with the parameters/tolerances and the PI output.</p> <p>c) Details of corrective action to be taken, and outcomes of the action taken, are clearly documented within the performance management information system in accordance with agreed timescales.</p> <p>d) Mechanisms are put in place to assess the suitability and subsequent effectiveness of corrective action (ensuring such an assessment is undertaken by the officer responsible for the production of the PI and, when appropriate, by an officer from the Commissioning, Performance and Business Intelligence Team, and is evidenced within the performance management information system).</p> <p>R8) A robust corporately applied approach to performance target setting and monitoring must be implemented; ensuring:</p> <p>a) Evidence is collated to substantiate the target set (including benchmarking data utilised; comparison to the previous year's output; comparison against peer authorities; details of changes in legislation) and is documented within the performance management information system.</p> <p>b) The target set and the evidence used to substantiate the target are scrutinised and approved as being appropriate prior to the start of the reporting period. This should be undertaken by the officer responsible for the production of the PI and, when appropriate, by a member of the Commissioning, Performance and Business Intelligence Team; with evidence of the review documented in the performance management information system.</p> <p>c) A decision is made by a senior manager to confirm whether an amendment to a target should be permitted during the course of the reporting year (the decision should be documented within the appropriate policy e.g. Data Quality Policy). If it is deemed appropriate, it must be ensured that in order to make such an amendment, suitable justification is documented. Approval is provided by a senior manager and evidence/details are recorded in the performance management information system.</p> <p>d) Targets are then scrutinised and monitored during the course of the reporting period against outputs, to assess their appropriateness in driving performance upwards. Where it becomes apparent that targets are inappropriate (e.g. too challenging or not challenging enough) and are becoming de-motivational, support should be provided by the Commissioning, Performance and Business Intelligence Team.</p>					A

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		Minimum	Minimum	Major	<p>R9) i) It must be ensured that the various information systems utilised across the Council generate accurate, timely and reliable performance data. Where it is believed, or known, that problems exist with data entry and/or data output, steps should be taken to address the problems through the appropriate management team, and the Commissioning, Performance and Business Intelligence Team should also be notified.</p> <p>ii) A clear definition and instructions for calculating each PI must exist, with details recorded in the performance management information system. This should also include details of what is being measured, monitored, and the improvements hoping to be achieved.</p> <p>iii) It must be ensured that each PI is fully checked and outputs and outcomes are validated as being correct (undertaken by those officers designated to calculate, review and take responsibility for the PI). The frequency for undertaking such reviews should be tailored to each PI. Details should be recorded in the performance management information system.</p>	4(1)	November 2013 Strategic Director Families and Wellbeing	Nov 13	Positive response to recommendations indicated.	A
Learning Disability 24/6/2013	F&W [DASS]	Minimum	Limited	Moderate	<p>It should be clear whose responsibility it is to identify those young people who fall into the relevant categories. If this is to be the Transition Team then an assessment of the current risk exposure of the Council in respect of resources should be undertaken, so as to consider whether there is merit in identifying additional resources. This would support the success of helping young people with a Learning Disability, who are not known to the CYPD Disabilities Team and consequently the Transition Team, through a smooth transition to adulthood.</p> <p>Links should be strengthened with relevant parties and partners to allow for the early identification of the number of young people, with a learning disability, likely to require adult services. The improvement of these links will help to enhance the life opportunities of the young people, ensuring a smooth transition to adulthood, whilst also providing for effective budget forecasting.</p>	N/A	N/A	N/A	Progress has been made by the Authority to investigate the matches identified by the NFI.	A
National Fraud Initiative (NFI) Co-ordinating & Monitoring 01/06/2013	Authority Wide	N/A	N/A	N/A	<p>R1) The ongoing work (by the Risk and Insurance Team in conjunction with senior managers) to review the Council's approach to risk management, so as to embed, develop and encourage risk management in to the culture of the organisation, should be completed and the outcomes implemented in a timely manner. As part of this process it should be ensured that the Chief Executive Strategy Group (CESG) is communicated with to ensure they fully endorse and help drive the approach through the organisation.</p> <p>R2) A fit for purpose risk management framework, which is corporately driven, adequately resourced and consistently applied across the Council, must be documented, promoted and put in to operation, having utilised benchmarking data and best practice, ensuring:</p> <p>a) The Council's 'risk appetite' is defined (and reviewed at appropriate intervals); and linked to this – it is ensured risks are seen as opportunities and not just threats in line with the risk appetite determined.</p> <p>b) Appropriate officers at corporate and directorate level are aware of (having been given appropriate guidance) and undertake their roles and responsibilities in respect of risk management.</p> <p>c) Each directorate has identified and designated appropriate staff to act as a key contact for 'risk management' (n.b. due to the close link between risk and performance, consideration should be given to the utilisation of those officers designated as 'business partners' within the Commissioning, Performance and Business Intelligence Team who liaise between the central performance team and the directorates).</p>	8 (6)	March 14 Strategic Director Transformation and Resources	Nov 13	<p>The new Executive Team is fully committed to implementing a fit for purpose system that will comply with British Standard BS ISO 31000. Actions have already been taken to improve some of the arrangements in place by revising the corporate risk register and implementing scheduled quarterly reporting to CESG for consideration of risk management related issues.</p> <p>- In addition, CESG will be closely monitoring implementation of the report Action Plan through regular programmed briefings.</p>	A
Risk Management Framework 04/07/2013	Transformation & Resources	Minimum	Minimum	Major						

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		Minimum	Minimum	Major	<p>d) Roles and responsibilities of Members in respect of risk management are clearly defined, understood and undertaken.</p> <p>e) A system is in place for swiftly addressing and implementing recommendations from internal and external sources.</p> <p>f) Mechanisms are put in place to: disseminate examples of good practice (also emphasising the impact it has had – e.g. it may have led to a reduced insurance premium thus saving the Council money); and encourage the open reporting of, and learning from, risk management control failures.</p> <p>g) Effective training is provided across the organisation to promote and ensure compliance with the framework.</p> <p>h) The adequacy of the framework is appraised on an ongoing basis as part of a continuous improvement approach and to ensure it remains fit for purpose. It should also be decided how best to report upon the outcomes and achievements being delivered once the new risk management framework has been put in place.</p> <p>R3) i) It should be ensured that the Risk Management Policy/Strategy is reviewed and approved accordingly at the earliest opportunity. It must be ensured that the Policy/Strategy is endorsed by the Chief Executive Strategy Group (CESG) and is fully aligned to the outcomes expected of a robust risk management framework.</p> <p>ii) The Risk Management Policy/Strategy should be disseminated accordingly (ensuring ways to effectively disseminate the Policy/Strategy are explored – e.g. electronic training sessions and/or 'webinars' with question and answer sessions) and adhered to in practice.</p> <p>iii) The Risk Management Policy/Strategy should be appraised on an annual basis as part of a continuous improvement approach to ensure it remains fit for purpose.</p>				<p>- A firm commitment has been provided by the Strategic Director and the Risk Management Officer to action all of the audit recommendations identified in this report within an agreed timescale and to report progress against this timetable to CESG at regular scheduled meetings.</p> <p>- We are advised that follow up audit work planned for November 2013 should identify significant improvements in the existing arrangements.</p>	A
		Minimum	Minimum	Major	<p>R4) i) It should be ensured that risks (at corporate and directorate level) are monitored on an ongoing basis thus ensuring controls (both those working well and those where weaknesses exist) and significant emerging risks are reported, discussed and action taken in a timely way; with evidence retained to highlight the process undertaken, who was involved and the outcomes delivered.</p> <p>ii) The most effective structure and format for reporting risk management information (e.g. utilising knowledge of the Risk and Insurance Team; management information requirements; reporting functions of Concerto – the IT system being utilised for risk management; and links with the Performance Management Team) should be decided upon and applied at corporate and directorate level to ensure consistency in reporting.</p> <p>iii) It should be determined who should receive such reports, and when, so as to ensure the risk information being reported is timely and relevant and is done so consistently across the organisation (i.e. at corporate and directorate level).</p> <p>iv) A reporting timetable should be produced and disseminated to relevant staff (in advance of the start of the financial year to which it relates) and adhered to in practice.</p> <p>R5) i) It must be ensured that where appropriate there are clear links between risks and corporate and directorate aims and objectives (thus providing a 'golden thread' through the organisation). Linked to this, performance information should be utilised to track the movement of key risks.</p> <p>ii) Risks generated at corporate and directorate level must not be considered in isolation (e.g. a significant risk highlighted at directorate level should be considered for potential inclusion in the corporate risk register; and risks discussed for inclusion within the Corporate Risk Register, but not considered significant enough, are then de-escalated as being potential risks at directorate level).</p>					

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		Minimum	Minimum	Major	<p>iii) At corporate and directorate level the volume of risks; the type of risks being reported (which must be stated in plain and easy to understand language); and the scoring of such risks; must be challenged on a group basis and consensus achieved regarding their appropriateness (retaining evidence to substantiate the process and who was involved) prior to inclusion in the applicable risk register. This should also help to ensure clear focus is maintained on these risks when</p> <p>iv) When compiling the Corporate or Directorate Risk Register inevitably there will be a number of risks raised that are subsequently not deemed significant enough for inclusion. As such, a record of these risks should be retained to evidence and highlight the transparency of the decision making process. It must be ensured risks not deemed significant enough for inclusion in the Corporate Risk Register are then evaluated for inclusion in the relevant Directorate Risk Register. Likewise those risks not deemed significant enough for inclusion within a Directorate Risk Register should be de-escalated to be evaluated as part of the relevant Service Area Risk Register.</p> <p>v) It should be ensured details are recorded as to how each risk is to be managed, using standard terminology such as: Tolerate; Transfer; Terminate; and Treat. This links to the requirement to appraise the Council's risk appetite, for example: those risks to be tolerated (i.e. no further controls to be put in place) must sit within the organisation's risk appetite.</p> <p>vi) When compiling a new risk register (at corporate and directorate level) it must be ensured there is clear evidence to substantiate that all risks from the previous register have been reviewed (so as to confirm whether the risk has been carried forward, eliminated due to the project/activity concluding, or its risk score reduced to such a level that it no longer warrants being included in the register). It must also be ensured this process encapsulates those risks where responsibility has changed due to changes in organisational structure (i.e. a service area/risk has moved from one directorate to another).</p> <p>R6) It must be ensured that the risks associated with all other influential organisations/partners have been, and continue to be, monitored and reviewed; are addressed utilising a consistent approach; and are documented within the relevant Risk Register(s).</p>	7 (0)	Nov 2013 Strategic Director Transformation and Resources	Nov 13	Recommendations agreed and undertakings given to implement findings within a reasonable timescale.	A
	Transformation and Resources (T&R) [Legal and Member Services] Families and Wellbeing (F&W) [CYPD]	Limited	Limited	Moderate	No high priority recommendations. (7 medium priority)	1 (0)	November 2013 Strategic Director Families and Wellbeing	Nov 13	Initial agreement obtained to implement one recommendation made.	A
	Academy - access controls 16/08/2013	Minimum	Minimum	Moderate	1) The System Security Policy should be updated, reflecting best practice guidance, and be disseminated to all users of the Academy system. 2) User rights and permissions should be reviewed in line with the regularity stated in the System Security Policy. 3) Review the identified cases at Appendix B, and remove access where appropriate.	8 (3)	Nov 2013 Strategic Director Transformation and Resources	Nov 13	Recommendations agreed and undertakings given to implement findings within a reasonable timescale.	A
	Regional Growth Fund 20/08/2013	Maximum	n/a	Minor	1 Low	1 (0)	Dec 13 Strategic Director Regeneration and Environment	Dec 13	Recommendation agreed and undertakings given to implement finding within a reasonable timescale.	A

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Income Control 19/07/2013	T&R [Business Processes]	Minimum	Limited	Minor	<p>1. The procedures manual should be reviewed and updated to ensure it reflects current practice.</p> <p>a) Once updated this should be made available to all relevant staff and training provided as required.</p> <p>c) Documented procedures should be reviewed periodically.</p> <p>2. The income control function should be reviewed with independent management checks introduced to ensure an effective separation of duties is evident in all relevant areas.</p> <p>3. A review of the online banking arrangement for the Co-op bank account should be undertaken to establish the access rights of each employee.</p> <p>b) Access rights should be reviewed to ensure they are appropriate for the level of work undertaken by each employee.</p> <p>1) i) The Contract should be reviewed in consultation with the Service Provider to ensure that the Contract is suitable for the Shared Lives Scheme. Any legislative change or guidance issued by statutory bodies that have a material impact on the provision or cost of the service should be taken into account.</p> <p>ii) Performance measures should be developed that will ensure all contracts are reviewed annually.</p> <p>iii) A representative from DASS should conduct random inspections of the Service Provider records and the delivery of services to ensure all terms of the contract are being fulfilled.</p> <p>iv) There should be regular monitoring meetings with the Service provider, to discuss any issues.</p> <p>2) i) The system for authorising care provision for Service Users should be reviewed and the following should be considered:</p> <ul style="list-style-type: none"> The form of care initiation/order that will be used for future care provision of this type; If the care initiation/order will be accompanied by a letter to the Service Provider and Home Owner (Carer), and if this is to accompany the care initiation/order form, will the letter still require the Service provider and Home Owners (Carers) signature; The type of documentation that will be required for any temporary changes to care provision, emergency care and additional expenditure items. The care initiation document should be signed by all parties prior to commencement of the care provision and a copy should be retained by DASS and the Service Provider for the required retention period. The contract should be amended to reflect changes made following the review. <p>3) i) The banding structure should be reviewed in consultation with the Service provider to ensure that it is suitable for the service that is currently being provided. The Contract should be amended following the review.</p> <p>ii) A full review should be undertaken of the current cost of care provision provided to all Service Users placed with PSS, to ensure they are receiving the required level of care, and the Council are paying the correct amount towards the cost of care.</p> <p>iii) The banding structure should be reviewed annually taking into account increase/decreases in inflation.</p> <p>iv) The agreed banding structure should be used to calculate the Council's contribution towards the cost of care for all Service Users.</p> <p>4) The care provision for the Service User should be reviewed by DASS and the following should be taken into consideration:</p> <ul style="list-style-type: none"> Whether or not the Council should be paying a management fee to PSS for the Service User; If the Council should recover the payments that have been made to PSS of £61.40 per week. 	5 (3)	Dec 13 Strategic Director Transformation and Resources	Dec 13	Draft report issued, awaiting agreement	A
Shared Lives Scheme 22/08/2013	F&W [DASS]	Minimum	Minimum	Moderate	<p>There has been a positive response to the report, with action currently being undertaken by the Directorate.</p>	10 (9)	Jan 14 Strategic Director Families and Wellbeing	Jan 14	There has been a positive response to the report, with action currently being undertaken by the Directorate.	A

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		Minimum	Minimum	Moderate	<p>5) The care provision for the Service User should be reviewed by DASS and the following should be taken into consideration:</p> <ul style="list-style-type: none"> • Whether or not the Council should be paying additional expenses for the Service User; • If the Council should recover the £1528.79 surplus which has accumulated from the previous year for additional expenses. <p>6) i) The Management Fee should be reviewed in consultation with the Service Provider. The following should be considered when undertaking the review:</p> <ul style="list-style-type: none"> • Management Fee per Carer or Service User; • Amount of fee charged compared to other local authorities; • If variations to the Management Fee are accepted, what evidence is required from PSS to justify the variance. <p>ii) The Contract should be amended following the review.</p> <p>iii) Regular checks should be undertaken by DASS to ensure that the agreed management fees are applied in all cases.</p> <p>7)</p> <p>i) The Service Provider (not the Home Owner (Carer)) should be required to submit a 4 weekly movement return, showing Service User movements, temporary absences such as for respite care, hospitalisation etc. If there are no movements 'NIL RETURN' should be written across the movement return. Payments should only be made to the Service Provider upon receipt of the four weekly movement returns.</p> <p>ii) The movement return should include the following details as a minimum requirement: Service User name and SWIFT reference; Payment period and date; Date of care commencement and departure; Temporary absences; Any additional expenses; Increase/decreases in Housing Benefit payments.</p> <p>iii) A process should be developed for checking movement returns, to ensure reasonableness. e.g. the schedule is for the correct period and the admissions and/or departures agree to what is detailed on the SWIFT system.</p> <p>iv) A guidance note should be compiled detailing the above procedure and a checklist should be used to evidence the verification.</p> <p>v) The Contract should be amended to take into account implementation of the above</p> <p>8)</p> <p>i) The current limits of indemnity, as detailed in the Contract should be reviewed to ensure they are still adequate for this type of service provision. If the limits are suitable, the Service Provider should be informed of the requirement to increase treatment liability insurance to £10 million. If changes are to be made to the limits the Service Provider should be informed immediately and the Contract should be amended accordingly.</p> <p>ii) Regular reviews should be undertaken to ensure that all insurances as detailed in the Contract (for example, motor insurance, buildings and contents) and indemnity limits are adequate and that the Service Provider maintains adequate up-to-date insurance.</p> <p>9)</p> <p>Consideration should be given to review all Contracts that the Council has with other adult placement providers, to ensure conditions and obligations are met and procedures are consistently applied.</p> <p>Implement a clear process for ensuring that staff have sufficient knowledge and understanding of HR policies, and that there is compliance with policy requirements.</p>	6 (1)	January 2014 Strategic Director Transformation and Resources	Jan 14	Recommendations agreed and undertakings given to implement findings within a reasonable timescale.	A
Grievances 12/09/2013	Transformation and Resources (T&R) [Human Resources and Resources and Resources]	Substantial	Limited	Moderate						A

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	FRAG Status
Youth Offending Team 23/09/2013	F&W [CYPD]	Substantial	Limited	Minor	<p>The following actions should be taken to address issues raised by the internal audit:</p> <p>i) To resolve the confusion over what the agreed petty cash imprest level should be and to seek assurances that all monies can be accounted for through appropriate review of documentation and transactions.</p> <p>ii) To review and set an appropriate petty cash imprest amount for the Youth Offending Team. This should then be declared to Accountancy to ensure that the Balance Sheet entry in the accounts is correct.</p> <p>iii) To note that the current safe limit is £1000, as per the Council's insurance limitations and that Risk and Insurance should be contacted if the agreed imprest level will result in cash over £1000 being held in the safe.</p> <p>iv) To ensure that bank statements are received and reconciled on a monthly basis by an officer not involved in the imprest system.</p> <p>v) To ensure that a full reconciliation back to the petty cash imprest level is carried out on a least a weekly basis.</p>	3 (1)	December 2013 Strategic Director Families and Wellbeing	Dec 13	Recommendations agreed and undertakings given to implement findings within a reasonable timescale.	A
HR Policies & Procedures 30/09/2013	T&R [Human Resources and OD]	Minimum	n/a	Moderate	<p>1) It should be ensured that an effective process for compiling policies and procedures is in place as soon as possible. The process should include:</p> <ul style="list-style-type: none"> • A reduction of policies and procedures currently held (removal of any that are deemed to be obsolete) • A detailed list of responsible officers • A detailed approval sign off list <p>To be tested during the follow-up review</p> <p>2) An effective process should be in place to identify when each policy and procedures is due for review and ensure that policies and procedures are reviewed on a regular basis. To be tested during follow-up review</p> <p>3) There should be a clear and effective process in place as soon as possible for amendments to existing policies and procedures. A detailed list should be held of all approved officers for reference to ensure all amendments are approved appropriately. To be tested during follow-up review</p> <p>4) Once the restructure is finalised, there should be a system in place which identifies a senior manager as having overall responsibility for leading co-ordinating and managing policy and procedure. The responsibilities should include details of updates, reviews, monitoring, checking and approval.</p> <p>5) An effective system should be in place to ensure all policies and procedures are effectively communicated to all staff. Consideration should be given to communicate to staff via: ICT systems, Intranet, Email reminders to staff, Team briefings, Staff Training.</p> <p>To be tested during follow-up review</p> <p>6) i) There should be a documented and effective system in place to ensure staff are made aware and have a clear understanding of the content of each policy and procedure. Consideration should be given to communicate to staff via: ICT systems, Intranet, Email reminders to staff, Team briefings, Staff Training.</p> <p>ii) A discussion needs to take place at senior management level, facilitated by HR to confirm who is responsible for ensuring compliance with all policies and procedures across all departments. Once this has concluded a corporate system needs to be devised to communicate understanding and compliance that may include some form of sample testing to provide adequate assurances in these areas.</p>	10 (6)	January 2014 Strategic Director Transformation and Resources	Jan 14	The Head of HR has responded very positively to the report findings and has confirmed that a new team has been set up with a dedicated work programme focussing on corporate policy and procedures. The team's remit includes the implementation of all actions identified during the audit to improve systems in operation within the agreed timescales.	A
Business Continuity / Disaster Recovery 30/09/2013	Authority-wide	n/a	n/a	n/a	Briefing note on major power outage produced for CIA and sent to Clare Fish and Mark Camborne	0 (0)	n/a Strategic Director Families and Wellbeing	n/a	IA input to be included in Mark Camborne's brief to CESG. Further IA work to follow.	A

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Member Services 25/09/2013	T&R [MPF]	Maximum	Substantial	Minor	1 x Medium 1 x Low	2 (0)	Immediate Strategic Director Transformation and Resources	Dec 13		A
Improvement Plan	Chief Executive [Policy, Performance and Public Health]		An assessment will be made as part of the next stage of the audit review		Recommendations are with the relevant Directorate and implementation has begun. The recommendations are to be incorporated into the forthcoming audit review of the Delivery of Improvement Plan Priorities, which will be completed in the new calendar year.	5 (3)	March 2014 Head of Policy and Performance/ Director of Public Health	Mar 14	Recommendations agreed and undertakings given to implement findings within a reasonable timescale. Much will depend upon the future shape of the Council's improvement activity.	A
Investigation: Invigor8 Direct Debit Scheme 30/09/2013	Families and Wellbeing (F&W) [Sports & Recreation]	n/a	n/a	n/a	1) There should be a separation of duties in the operation of the direct debit collection service. The Officer responsible for importing Direct Debit (DD) and Automated Direct Debit Instruction Service (AUDDIS) files from the Plus 2 system should not authorise the IBACS live submission. 2) The file for import to IBACS should be chosen via the browse facility. 3) File import totals should be checked to PLUS 2 export files prior to authorising the IBACS DD and AUDDIS run. 4) The procedure notes should be expanded on and updated to reflect the amended processes. 5) An options appraisal should be carried out to determine whether internal control can be improved and/or saving achieved by using a single BACS payment programme. (DB BACS is used by the remainder of the Council and is managed by IT Services) If the decision is to continue to use the current IBACS system, Sports and Recreation should seek advice from the software vendor on how to change the pound setting on the AUDDIS file to pence and also to apply maximum payment batch totals for the DD and AUDDIS files to prevent large payment errors to be processed. 6) In conjunction with Legal and Member Services establish who is responsible for any financial liabilities incurred and take any appropriate action.	6 (6)	Jan 2014 Strategic Director Families and Wellbeing	Jan 14	The report was discussed and agreed with the relevant Strategic Directors and the Head of Sports and Leisure who have responded very positively to the findings and provided a strong commitment to implementing the recommendations with immediate effect.	A
Wallasey Central Library 30/09/2013	T&R [Business Processes]	Minimum	Minimum	Moderate	1) A Security Policy should be produced covering all aspects of the library and assets held. The policy should be made available to all staff. 2) Income procedures should be established which cover the following areas: • Collection, reconciliation and banking of income; • Operation of the tills; • Taking and payment of block bookings. The procedures should be approved, periodically reviewed and made available to all relevant staff. 3) Income should be reconciled to supporting documentation by an employee independent of those responsible for collection of monies. This should be reconciled on the day of collection. The employee should sign the daily cash sheet to confirm that the reconciliation has been carried out. 4) i) Any shorts or overs' in the income should be declared on the reconciliation sheets and not compensated for by using accumulated surplus monies, or by making adjustments to the till receipt/daily logs. ii) A daily record should be maintained of book fines for the children's library and this should be included in the daily reconciliation of the children's library income. (iii) The 'Surplus' monies held in the safe should be paid into the bank using an appropriate income code and any future 'Overs' should be declared on the reconciliation sheet.	19 (4)	All by January 2014 with some of the significant issues able to be implemented with immediate effect. Strategic Director Transformation and Resources	Mar 14	Following a financial irregularity at this library, the Head of Business Processes requested that audit conduct audit reviews at all four central libraries. The remaining three audits are in progress. Recommendations discussed and agreed with Principal Librarian.	A

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	RAG Status
Investigation: Change in Payment Destination 30/09/2013	F&W [DASS]	n/a	n/a	n/a	<p>1) Procedures for any requests to change bank account details for suppliers need to be reviewed constantly to ensure that they remain appropriate for current and future workload demands.</p> <p>2) It is essential that procedures are followed in their entirety to ensure that similar incidents do not happen in the future and all staff within Accounts Payable should be immediately reminded of this.</p> <p>3) Any request for a change in Bank account details should be signed off and confirmed by a second officer within Accounts Payable.</p> <p>4) Requests and authorisations for any replacement payments should come from management within the appropriate directorate, which in this instance was DASS. Unless this authorisation is provided no action to replace payments should be undertaken.</p> <p>5) Authorisation of replacement payments should not be the responsibility of the Accounts Payable department. All departments need to be advised of this and cascaded throughout the authority to all officers who are authorised signatories.</p> <p>6) Approval for replacement payments need to be adequately documented and approved by the appropriate senior manager and all staff in Accounts Payable should be reminded of this.</p> <p>7) Procedures need to be introduced across all departments to facilitate the notification of senior management should a similar instance reoccur.</p> <p>8) All appropriate staff within Accounts Payable and other payment processing departments need to be immediately reminded of the procedures to be followed on receipt of requests for a change of payee details</p> <p>9) Senior management should consider what, if any, further appropriate action is required specifically in relation to the failure to comply with departmental procedures</p>	9 (9)	Jan 2014 Strategic Director Transformation and Resources	Jan 14	<p>The report was presented to the Strategic Directors for Transformation and Resources and Families and Wellbeing who have responded very positively and agreed to implement all of the recommendations arising with immediate effect.</p> <p>Mandate fraud is a very common fraud targeting LA's, Hospitals, Universities, Supermarkets and other major organisations. In the first half of 2012 over £150 million was lost to this type of fraud in the UK alone.</p> <p>Neighbouring authorities within the North West have fallen victim to these frauds in recent years some of which were for considerable figures, far larger than Wirral. Whilst this does not mitigate the failure to identify the criminal act it does provide some useful context.</p> <p>Wirral's documented procedures for processing change in account detail requests are consistent with those now used by neighbouring authorities throughout the North West and have and will remain sufficient to prevent such frauds occurring in the past but are only effective when applied.</p> <p>Individual staff failings relating to non compliance with recognised procedure arising from the audit report findings is currently being evaluated and examined by HR.</p> <p>A further more comprehensive summary will be provided in the Internal Audit Update report to the Committee in November 2013</p>	A

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	FRAG Status
Benefits - Discretionary Housing Payments 14/10/2013	Transformation and Resources (T&R) [Business Processes]	Substantial	Substantial	Minor	1 x Medium and 1 x Low priority recommendations	2 (0)	March 2014 Strategic Director Transformation and Resources	Mar 14		A
St Michael & All Angels RC Primary School Full Review 17/10/13	Families and Wellbeing (F&W) [CYPD]	Limited	Minimum	Minor	1) The school's procedures for obtaining quotations and tenders should be followed at all times. 2) To ensure compliance with the Scheme of Delegation procedures/regulations the delegated limits should be reviewed and amended to ensure all staff on the Authorised Signatory List are allocated a delegated limit in their own right. 3) The non order system should be used for the payment of utilities only. 4) Orders should be raised prior to the invoice being received.	7 (4)	February 2014 Head Teacher	Feb 14	Issues discussed with the Headteacher and agreement obtained to implement recommendations within an appropriate timescale.	A
Thematic review: Kingsway Primary School 17/10/2013	F&W [CYPD]	Limited	Maximum	Minor	4 x Medium priority recommendations	4 (0)	February 2014 Head Teacher	Feb 14	Recommendations discussed and agreed with Head Teacher.	A
Council Tax Single Person Discount 29/10/2013	T&R [Business Processes]	Minimum	N/A	Moderate	The 1,309 matches remaining from the NFI 2010 should be investigated.	1 (1)	April 2014 Strategic Director Transformation and Resources	Apr 14	The recommendation was agreed, and the matches will be reviewed by the external contractor when appointed - this is an operation being undertaken with Cheshire East as a shared service exercise and the depth and level of data checking will be far superior than can be achieved within the council as they will have access to financial records including credit address activity rather than solely cross checking Council data. Current staffing levels and work backlogs preclude this work to from being undertaken any earlier	A
Official Use of Private Vehicles 30/10/2013	Regeneration and Environment (R&E) [Environment & Regulation] [Housing and Community Safety] [Regeneration] F&W [Sports and Recreation]	Substantial	Substantial	Moderate	1 Medium priority recommendation	1(0)	February 2014 Strategic Director Regeneration and Environment / Strategic Director Families and Wellbeing	Feb 14		A

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	FRAG Status
Libraries Cash Systems 05/11/2013	T&R [Business Processes]	Minimum	Minimum	Moderate	<p>1. i) The £600 disparity at Birkenhead Central Library should be investigated as a matter of urgency.</p> <p>ii) The official cash imprest amount recorded by Financial Services should be reviewed for all libraries to ensure that:</p> <p>a) all petty cash imprest amounts and till floats are appropriate and correct.</p> <p>b) any identified discrepancies are investigated and rectified and the imprest account is restored to the recorded advance.</p> <p>2. Documented procedures should be established which cover the areas of income collection, reconciliation and banking. The procedures should also incorporate the operation of RFID (Radio Frequency Identification) machines. In addition, procedures should be incorporated regarding use of a till for those libraries that operate a till.</p> <p>3. i) A review of the approved charging policy should be undertaken to ensure that all charges listed at each library are listed on the approved charging policy within the Libraries section.</p> <p>ii) Once a review has been undertaken, all libraries should be supplied with the same charging policy to ensure consistency in the application of charges.</p> <p>iii) All libraries should be reminded of the importance of ensuring the correct charge is applied to all items.</p> <p>4. A review of the number of staff who can access the safe in each of the libraries should be undertaken, with a view to restricting access to the safe to Senior Library Managers and the second tier senior officer in the absence of the Senior Library Manager.</p> <p>5. All librarians responsible for income collection should be reminded to ensure they transfer all daily income at the end of each day to the secure access area. (insured safe).</p> <p>6. i) All income and banking records should be signed by a senior officer.</p> <p>ii) An effective separation of duties should be in place for all stages of the income reconciliation and banking preparation.</p> <p>iii) All income should be transferred accurately to all relevant income and banking records.</p> <p>iv) All income and banking records should be kept legibly, enabling a full reconciliation to be undertaken.</p> <p>v) A 'Z' reading should be produced each day for the daily income and reconciled to the income collected.</p> <p>vi) All income records should be kept tidily in chronological order.</p> <p>vii) It should be ensured that the courier who collects the money is reminded of the importance to ensure the collection receipt is completed accurately.</p> <p>viii) Income that is identified as 'extras' should be paid in with the weekly banking using an appropriate code. (West Kirby).</p> <p>ix) All relevant staff should be reminded to inform customers that payment for any library services should be made in British Pounds Sterling. Failure to do so should result in the customer not receiving the goods/service.</p> <p>The non order system should be used for utilities only. All other purchases should be processed as an official order.</p>	13 (6)	February 2014 Strategic Director Transformation and Resources	Feb 14	A very positive response received from the Principal Librarian: a) The £600 disparity has been investigated and resolved following the final report being received. b) The recommendation relating to the charges will be implemented from April 2014 following the fees and charges review in March 2014. c) The remaining recommendations are to be implemented taking into consideration any similar recommendations from the review of Wallasey Central Library (Sept 2013)	A
Pensby Primary School: Purchasing & Budgets 06/11/2013	F&W [CYPD]	Limited	Maximum	Minor	Independent Review of Sundry Debt resulted in thirty four actions.	2 (1)	March 2014 Head Teacher	Feb 14		A
Debt Management (Independent Review of Sundry Debt) 31/10/2013	F&W [DASS] and T&R [Business Processes]	N/A	N/A	N/A		34 (34)	September 13 Director of Resources	Jan 14	Twenty recommendations have been implemented within timescales, twelve have been partially implemented and two have not yet been implemented but revised target dates have been agreed.	A

Audit / Date	Dept	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Officer Responsible	Follow Up Scheduled	Outcome	FRAG Status
Commissioning and Procurement Board 31/10/2013	Authority-wide	N/A	N/A	N/A		N/A	N/A	N/A	Attendance at monthly meetings of this Board advising on risk awareness regarding commissioning and procurement, contract management and compliance with Council's rules.	A
Parks & Countryside Services 05/11/2013	R&E [Environment & Regulation]	Limited	N/A	Moderate	Supporting documentation should be readily available upon request, to enable the Authority to provided assurance that the service has achieved its targets within the agreed timescales as reported to Members.	1 (1)	March 2014 Strategic Director Regeneration and Environment	Mar 14	Recommendations agreed and undertakings given to implement findings within a reasonable timescale.	A

INTERNAL AUDIT RECOMMENDATIONS STATUS REPORT
PERIOD: 01 APRIL 2013 TO 31 OCTOBER 2013
Follow Up Audits Completed - RED or AMBER flag

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
Residential and Nursing Home Care 09/05/2013	Families and Wellbeing (F&W) [DASS]	Limited	Original review was undertaken in December 2012, resulting in 2 high and 4 medium recommendations.	6(2)	November 13 Strategic Director Families & Wellbeing	Nov 13	Further follow up to be undertaken in November 2013, to coincide with target implementation date.	A
Appointeeships 19/06/2013	F&W [DASS]	Minimum	Original review was undertaken in November 2012, in which 12 recommendations, 4 of high priority, were made.	12(4)	October 2013 Strategic Director - Families and Wellbeing	Oct 13	Good progress has been made. Further follow up started in October 2013, and is ongoing, to evidence full implementation of outstanding areas.	A
Data Transfer Security 30/06/2013	Authority-Wide	Limited	<p>4 High risk recommendations outstanding:</p> <p>1) Clearly defined responsibility for information assets and risks should be assigned to nominated staff. Specifically:</p> <ul style="list-style-type: none"> - A Senior Information Risk Officer should be nominated at an appropriate level within the Authority or within each Department. - Each business system to have a nominated Information Asset Owner. <p>2) Each department should maintain a log of routine data transfers. A nominated officer, most probably the Information Asset Owner(s), should be responsible for maintaining the departmental log. To ensure standardisation of logs, and the quality of the information recorded, ITS should provide a template for the log. Departmental logs should be available to ITS and to corporate Information Management staff to support the Authority-wide information strategy.</p> <p>3) Departmental management should assess the risks arising from the use of mobile media or portable devices. This assessment may inform the Strategic Asset Review programme. Following this assessment, guidance should be given on the appropriate use of portable devices to reduce the risk of unauthorised access to personal and sensitive information.</p> <p>4) The requirement for encryption should be assessed throughout the Authority. Subsequently, business cases should be made and an appropriate ITS-managed solution, or solutions, implemented. Whilst many requirements may be met by Government Connect, it is essential that areas not expected to be part of the Government Connect implementation are also considered.</p>	5 (4)	Sept 2013 Strategic Director - Transformation & Resources	Nov 13	<p>An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. Recommendations 1, 2 and 3 will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.</p> <p>For Recommendation 4, a technical solution for the encryption of HDDs and portable media is now in place, in pilot. The recommendation will be reviewed in the "Endpoint Security" audit.</p>	A
Corporate Backups 30/06/2013	Transformation and Resources [Resources]	Substantial	The original audit resulted in 7 medium risk recommendations. 2 Medium Risk recommendations outstanding:	7 (0)	October 2013 Strategic Director - Transformation & Resources	Nov 13	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.	A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
Protection of Information - MFDs 30/06/2013	Authority-Wide	n/a	The IT Services Manager is requested to: 1. confirm that action is being taken to address the information security risks described in this memo, 2. inform Internal Audit of the expected time frame for the implementation of a resolution.	1 (1)	Sept 2013 Strategic Director Transformation & Resources	Nov 13	User education has been issued to all staff via email. Effectiveness of the education has not yet been tested.	A
Non-staff access to Wirral ICT infrastructure 30/06/2013	Authority-Wide	Limited	2 High Risk recommendations outstanding: 1) Controls should be introduced, until such time as the Council has compiled the inventory of third-party users and ISOs, to ensure that access to data is not granted to inappropriate persons. This may include: - Ensuring that all system logging is enabled and monitored - Severely restrict access to Wirral's systems. Third parties should only have access to a segment of Wirral's network that is separated from the internal network by firewalls or an isolated subnet. - Access should be restricted to only specific IP addresses from the outside party, be limited to a restricted time period and then closely monitored. 2) The RA and PIA process for data sharing and access authorisation should be streamlined and simplified. The Council should consider which of its staff should be responsible for undertaking the RA and PIA e.g. Information Asset Officers (IAOs) or the Information Manager, to provide an appropriate level of governance and ensure this process operates effectively and efficiently. The use of RA and PIA should be mandated throughout the Council.	4 (3)	Oct 2013 Strategic Director - Transformation & Resources	Nov 13	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.	A
Removable Media 30/06/2013	Authority-Wide	Minimum	3 High Risk recommendations outstanding: 1) A Corporate Risk Assessment should be performed, by an appropriate senior corporate group, to identify business areas in which the use of removable media is appropriate or should not be allowed. Identified risks should be recorded in the developing ICT Risk Register. 2) The iProcurement catalogue should be updated to include only media which conform to Authority standards for encryption. 3) Guidance should be given on the secure use of USB Flash Drives, such as how to enable and configure security options. Guidance should also state how devices are to be labelled, if at all, to reduce their attractiveness to unauthorised users.	9 (5)	Oct 2013 Strategic Director - Transformation and Resources	Nov 13	For recommendation 1, an Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned. For recommendations 2 and 3, a technical solution for the encryption of HDDs and portable media is now in place, in pilot. The recommendation will be reviewed in the "Endpoint Security" audit	A
Removable Media - compliance check 30/06/2013	Authority-Wide	Limited	1 High Risk recommendations outstanding : As there is a risk that actions or decisions may be taken in isolation, the information governance project should be informed by ongoing IT projects, with agreed and documented milestone tasks, to ensure there is a co-ordinated approach to providing Information Assurance. It is recommended that a SMART Action Plan be utilised to provide a clear record of all decisions and actions related to Information Assurance.	1 (1)	Oct 2013 Strategic Director - Transformation & Resources	Nov 13	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.	A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
Foster Care Approval and Payments 11/07/2013	F&W [CYPD]	Limited	Original review resulted in 4 high priority and 1 medium recommendations. High priority recommendations as follows: 1) The 'Foster Care Approval Procedure' should be made subject to a formal review and updated appropriately. ii) The risks of omitting probation and NSPCC checks for all potential foster care applicants should be assessed and a decision made on whether they are to remain, as detailed in the procedures. If these checks are to remain, it is recommended that they are conducted for all applicants to avoid the Council being subject to potential complaints against a perceived inconsistent assessment and approval process. If they are to be discontinued, they would then require removal from the procedure document when it is formally reviewed. 2) The Foster Care Payments Procedure should be updated to reflect the issuing of cash payments to foster carers, including the agreed circumstances in which cash may be issued, instead of processing payments through BACS. 3) Procedures for providing cash to foster carers should be comprehensively reviewed to ensure the appropriate controls are established and complied with. It is recommended that these controls should include: i) The officer collecting monies from the bank verifying that the correct cash has been received and a bank receipt is obtained and retained; ii) An independent officer checking all cash and recording it in the relevant cash book; iii) Holding all cash in the safe with access only to appropriately authorised officers; iv) Reducing the amount of time any cash are kept in the safe to a minimum level to reduce any risk of loss/misappropriation; v) Officers collecting cash to be provided to foster carers checking the amount they have received against the expected total; vi) The requirement for all cash to be counted and checked in the presence of the foster carer; vii) A decision on the appropriateness of handing over cash to anyone other than the foster carer; and viii) Making relevant officers aware of the 'Guidelines for Financial Procedures' so responsibilities are clearly understood. 4) A review of the Foster Care Fees that includes all relevant stakeholders should be scheduled for review and updated and approved by Cabinet if appropriate. It is recommended that Foster Care Fees are made subject to regular reviews and documented as a formal record.	5 (4)	Sept 2013 Strategic Director Families and Wellbeing	Sep 13	High priority recommendations 1) and 3) and 1 medium priority recommendation have been implemented. High priority recommendations 2) and 4) are in the process of being implemented. Management advised that the 'Guide to the Payment of Foster Carers', which includes fees paid to foster carers, has to be submitted to a decision making forum prior to approval. Additionally, it is understood that a 'Staying Put Policy' is being developed that affects payments and a review of whether the Council pays allowances through the payment to carers for nights or days that the children are with them. The most recent follow up is currently underway.	A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
Town Lane Infants School 22/07/2013	F&W [CYPD]	Limited	<p>Original review was undertaken in August 2012, resulting in 4 high priority, 6 medium and 1 low priority recommendations. High priority recommendations as follows:</p> <p>1) The Financial Procedures Manual should be updated to include the following:</p> <p>(i) Data recovery procedures. The procedures should state the CARS system of data management is in operation at the school (which is the responsibility of the LA).</p> <p>(ii) Written procedural notes clearly defining duties and responsibilities of staff involved in the event of an incident leading to an insurance claim.</p> <p>(iii) The duties and responsibilities of staff involved in the payroll system including checking the monthly returns to the payroll provider.</p> <p>(iv) Procedures for emergency payments paid to staff.</p> <p>(v) Personalised purchasing procedures.</p> <p>Once updated the Financial Procedures Manual should be approved by the Governing Body and evidenced in the minutes.</p> <p>2) The non order system should be used for utilities only e.g.. gas and electricity.</p> <p>3) The Charge Policy should be reviewed and updated to include all charges made by the school, including lettings. The basis of the charge for lettings should be documented. The Charge Policy should be reviewed and approved periodically by the Governing Body and evidenced in the minutes.</p> <p>4) The record maintained of payments received for school meals should include the following details:</p> <ul style="list-style-type: none"> • The date payment is received. • The period covered by the payment received. • The daily total number of meals purchased. <p>Original review highlighted that the Council is currently not compliant with the standard, but appropriate measures, decisions and actions have or will be taken to ensure compliance in due course. 1 High priority recommendation. is outstanding:</p> <p>1) Determine and implement the most appropriate installation in the Customer Services Centre, ie running Paye.net in a virtualised environment, running two machines on each desk with a KVM (keyboard, video and mouse) switch, running machines in separate secure environment via RDP (remote desktop protocol).</p>	11 (4)	Oct 2013 Head Teacher	Nov 13	High priority recommendation 3) and 5 medium and 1 low priority recommendations were found to be implemented. High priority recommendations 1), 2) and 4) and 1 medium priority recommendation, were found to be partially implemented. A further follow up will be undertaken in November 2013 to verify progress.	A
Payment Card Industry - Data Security Standard 16/08/2013	Authority-Wide	Minimum	<p>Original review highlighted that the Council is currently not compliant with the standard, but appropriate measures, decisions and actions have or will be taken to ensure compliance in due course. 1 High priority recommendation. is outstanding:</p> <p>1) Determine and implement the most appropriate installation in the Customer Services Centre, ie running Paye.net in a virtualised environment, running two machines on each desk with a KVM (keyboard, video and mouse) switch, running machines in separate secure environment via RDP (remote desktop protocol).</p>	3 (1)	Mar 2014 Strategic Director Transformation and Resources	Mar 14	The Council is not compliant with the PCI standard, as the current installation of Paye.net does not meet the requirements of the PCI standard. The bank have reviewed the Council's position and reduced the Council's status to one of minimal risk, and is not taking action. IT Services is still committed to removing the risk altogether and will address this as soon as the Public Sector Network security project is completed.	R
Overseas travel 13/08/2013	Authority-Wide	Limited	<p>Original audit completed in May 2012 resulting in 1 high and 3 medium priority recommendations. High priority recommendation was:</p> <p>Reporting of overseas visits to Members should be reinstated and retrospective reports presented listing travel undertaken and the associated costs and benefits for all overseas travel undertaken since 31 December 2007. This is the second follow up.</p>	4 (1)	August 2013 Strategic Director Transformation and Resources	Dec 13	2 medium priority recommendations have been implemented. The high priority and 1 medium priority recommendations are in the process of being implemented.	A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status	
Publishing Public Sector Information 23/09/2013	Authority-Wide	Limited	Original audit completed in November 2012, resulting in 3 high and 6 medium priority recommendations. High priority recommendations were: An information and data transparency policy and process should be presented to Cabinet to endorse the commitment to publish all appropriate information, and stating the assumption that exempt information should still be published but in redacted form. The information and data transparency policy should be appropriately published to ensure the users of the information will be better informed as to the publication protocols. The parameters for the Oracle and Discoverer reports should be verified as providing the data expected for the requirements of the information and data transparency policy.	9 (3)	September 2013 Strategic Director Transformation and Resources	Dec 13	The Information Governance Board (IGB) has now been established which will be considering, reviewing and ensuring all appropriate policies, procedures and practices concerning information governance is 'fit for purpose'. The IGB enables the Council to take a holistic and joined up approach to information governance, handling approach to information governance, handling and management and introduce a co-ordinated approach and framework that is robust and consistent and effective. The IGB will produce an information and data transparency policy. This will include processes to endorse the commitment to publish appropriate information. This commitment will work hand in hand with other regulations and legislation with regard exempt information. Once agreed by the IGB, the information and data transparency policy will be published on the Council's WebPages and also as part of the Council's FOI publications scheme. The IGB will also identify a responsible officer who will confirm that the report parameters are correct, and the appropriate information is being produced. The Internal Audit Report will be considered at the next meeting of the IGB and appropriate actions agreed to ensure the recommendations in the report are addressed.	A	
HR Self-Serve - User Acceptance Testing (Expenses and Delegation) 30/09/2013	T&R [Human Resources and OD]		Limited	Audit resulted in 5 medium priority recommendations	5 (0)	April 2013 HR Project Manager	Nov 13	a) 3 recommendations fully implemented b) 1 recommendation due for implementation from November 2013. c) 1 recommendation due for follow up in November 2013.	A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
ICT Hardware Asset Register 09/10/2013	Transformation and Resources (T&R) [Resources]	Limited	Original audit completed in March 2013, resulting in 6 high and 1 medium priority recommendations. High priority recommendations were: 1) VQSM should be used at the primary source for the Authority's Hardware Asset Register (HAR). 2) The Authority's HAR should be updated to include all hardware assets, and maintained in line with agreed procedures. 3) The project to develop "Here's My Asset", subject to demonstrating proof of concept, will assist the accuracy of the HAR, and its successful deployment should be prioritised by IT management. 4) All hardware assets connecting to the network should be visible to the Altiris Software. 5) Procedural guidance should require the immediate update of the HAR when an asset is to be added or deleted, where a segregation of duties should be achieved. 6) The accuracy of the HAR should be verified on a regular basis, and the results reported to IT Management.	7 (6)	December 2013 Strategic Director Transformation and Resources	Dec 13	All recommendations are in progress, to implement by end of 31/12/2013 VQSM is used as the primary source, but has not updated recently. Also looking to employ auto import into the database. Progress being made but limited due to other resource demands. Data being collated ready for import. Limited progress. Has been developed, but no Proof of Concept yet. Progress being made. IP streams being replaced by BT broadband and WRAP2 devices by 31/10/2013. There is also a rolling project for departmental areas coming into ITS. Procedural guidance developed, yet to be distributed to staff. The verification and reporting procedure is yet to be defined. This may be after the Windows 7 implementation.	A
Out of Borough School Placements 25/10/2013	F&W [CYPD]	Limited	Original audit resulted in 2 high and 6 medium recommendations. 1) i) All out of borough placements should be formally authorised and evidence of authorisation retained on file. ii) Where the value of a contract is over £50,000 authorisation should be obtained from the Chief Officer or by an officer with the delegated authority. 2) Documented procedures covering all aspects of placing children at independent out of borough provider should be developed, approved and made subject to regular review	8 (2)	January 2014 Strategic Director Families and Wellbeing	N/A	Original audit resulted in 2 high and 6 medium recommendations have been implemented. The remaining 4 medium recommendations are in the process of being implemented. Supporting documentation to be provided to Internal Audit to evidence outstanding recommendations have been implemented.	A
ICT Software Licensing 09/10/2013	T&R [Resources]	Substantial	Original audit resulted in 3 medium and 1 low priority recommendations.	4 (0)	December 2013 Strategic Director Transformation and Resources	Dec 13	1 medium priority recommendation has been implemented. 1 medium and 1 low priority recommendations are in progress, to be implemented by end of December 2013 1 medium priority recommendation will be implemented as part of the Win2008 project	A
Mobile Phones 14/11/2013	Authority-Wide	Minimum	Original audit completed in June 2011, resulting in 5 high and 2 medium priority recommendations were: 1) The Mobile Phone Policy should be subject to a joint review by the Department of Law, HR and Asset Management and the Department of Finance with all further findings and recommendations made in this report considered for appropriate inclusion. It is recommended that the policy is owned by Human Resources as a corporate policy.	7 (5)	November 2013 Strategic Director Transformation and Resources	Jan 14	The authority has carried out an exercise to ensure that all mobile phones on the current contract are registered correctly and any unused phones are disconnected. A revised policy for mobile phone use has been developed, which addresses the concerns raised by Internal Audit regarding personal usage, data roaming and central management of mobile phone use.	A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
		Minimum	<p>2) Internal Audit maintains that centralising the processes for managing the Authority's mobile phone system would provide greater control than the current decentralised arrangements. However, if this can not be implemented due to factors such as resource implications, it is then recommended that Human Resources:</p> <ul style="list-style-type: none"> i) Utilise the HR system as a repository for maintaining records of all employees that have been issued a mobile phone, including defining a process to ensure that these records are updated accordingly; ii) Consider if pre-determined roles that require mobile phone technology can be identified, in collaboration with Council Chief Officers, and included within appropriate HR systems; iii) Develop a business case template for employees requesting a mobile phone; and iv) Establish a process for the transfer of mobile phones between employees or suspending/removing devices from the supplier's contract. <p>3) To ensure the Council is not continuing to pay for unused/unauthorised mobile phones, the Finance Department should provide Chief Officers with a list of all unknown mobile numbers in order for them to be identified. Action should then be taken to suspend/cancel appropriate mobile phone lines as appropriate.</p> <p>4) A procurement group should be established, consisting of representation from IT Services and Corporate Procurement, to review the use of high end mobile phones in the Council. The procurement group should establish:</p> <ul style="list-style-type: none"> i) The specification and selection of suitable handsets that are based on cost, technology infrastructure and user needs that should be included in the future contract tender documentation; ii) The compliance requirements in respect to Government Connect Code of Compliance (CoCo) for any mobile phone deemed appropriate for use by the Council; and iii) Whether any approved mobile phones and dongles can be classified as catalogue items on the i-Procurement system instead of going through the non-catalogue route process to provide greater control. <p>5) IT Services, in consultation with the Payments Manager, should identify the required information that should be collected at the point of order for all mobile phones to ensure electronic billing can be utilised efficiently and effectively and expenditure can be coded to the correct cost centre. Additionally, it should be ensured that all mobile phone orders are included as part of the electronic billing process.</p>					A

Follow-Up Audit / Date	Dept	Original Opinion	Original Recommendations (H,M,L)	Original Total Recs (H)	Timescale / Officer Responsible	Further Follow Up Scheduled	Outcome	RAG Status
Mobile Telecomms Usage 14/11/2013	Authority-Wide	Minimum	<p>Original audit completed in November 2012, resulting in 3 high priority recommendations:</p> <p>1) The authority should review its policy on private use of mobile phones. The policy requirement to reimburse personal use should be enforced or abandoned. We do not believe that a technical solution identifying personal use and automatically billing officers will prove to be feasible. The available options therefore appear to be-</p> <ul style="list-style-type: none"> • Centralise the management of mobile phones and appoint an officer with responsibility for administering the phones and collecting the reimbursements for personal use. (In view of the new contract, which charges a flat rate per month irrespective of usage, a view will have to be taken as to how to value personal use e.g. a flat rate per call); • Charge all users a flat rate for personal use deducted from salary, the onus being on the user to show no personal use to have the charge withdrawn; • Change the policy such that no private use is permitted except in cases of emergency and such cases to be reimbursed. <p>Pending any decision on the above, all officers with mobile phones should be reminded of the requirement to reimburse the council for private usage in accordance with the policy.</p> <p>It has been agreed with management that this recommendation and the others within this report will be addressed by taking a paper to Executive Team in order that decisions can be taken on the policies to be implemented.</p> <p>2) Automatic roaming of phones should be disabled for all phones and re-instated on a case by case basis only in respect of officers travelling overseas on authorised business or senior officers who need to be contacted when on holiday overseas.</p> <p>It has been agreed with management that this recommendation and the others within this report will be addressed by taking a paper to Executive Team in order that decisions can be taken on the policies to be implemented.</p> <p>3) We recommend that, pending any review of the council's policy on personal use, officers responsible for mobile phone bills within departments are made responsible for reviewing these for excessive and inappropriate use and reporting accordingly.</p> <p>It has been agreed with management that this recommendation and the others within this report will be addressed by taking a paper to Executive Team in order that decisions can be taken on the policies to be implemented</p>	3 (3)	November 2013 Strategic Director Transformation and Resources	Jan 14	<p>The authority has carried out an exercise to ensure that all mobile phones on the current contract are registered correctly and any unused phones are disconnected.</p> <p>A revised policy for mobile phone use has been developed, which addresses the concerns raised by Internal Audit regarding personal usage, data roaming and central management of mobile phone use.</p>	A

KEY:

Control Environment	
MAXIMUM	There is a sound system of control designed to achieve the system objectives and these are being consistently applied. No High recommendations made.
SUBSTANTIAL	Whilst there is a basically sound system there are weaknesses which put some of the control objectives at risk and/or there is evidence that the level of non compliance with some controls may put the system objectives at risk. No High recommendations made.
LIMITED	Weaknesses in the system of control are such as to put the system objectives at risk and/or the level of non compliance puts the system objectives at risk.
MINIMUM	Control is generally weak leaving the system open to significant error or abuse, and/or significant non compliance with basic controls leaves the system open to error or abuse.
Compliance	
MAXIMUM	The control environment is operating as intended. No High recommendations made.
SUBSTANTIAL	The control environment is substantially operating as intended. No High recommendations made.
LIMITED	The control environment has not operated as intended and errors have been detected.
MINIMUM	The control environment has fundamentally broken down and is open to serious error or abuse. Significant errors have been detected.
Organisational Impact	
MAJOR	The weaknesses identified during the review have left the Council open to significant risk. If the risk materialises it would have a major impact upon the organisation as a whole.
MODERATE	The weaknesses identified during the review have left the Council open to moderate risk. If the risk materialises it would have a moderate impact upon the organisation as a whole.
MINOR	The weaknesses identified during the review have left the Council open to a low level of risk. If the risk materialises it would have a minor impact on the organisation as a whole.
RAG status	
G	Audits Follow Ups
A	Audits Follow Ups
R	Audits Follow Ups
	Audits agreed and implemented. Actions implemented. Actions agreed and officers committed to implement within agreed timescale. Actions in process of being implemented within agreed timescale with some implemented. Actions agreed Little or no progress made to implement actions within agreed timescale.
Recommendation Priority Rating	
HIGH	Matters that are fundamental and material to the system of internal control for the area under review. We believe that matters observed might cause a system objective not to be met or leave a risk unmitigated and need to be addressed as a matter of urgency.
MEDIUM	Matters that are significant to the system of internal control under review but do not require immediate action. A system objective may still be met in full or in part or a risk adequately mitigated but the weakness represents a significant deficiency in the system.
LOW	Matters that require attention and would improve the overall control levels for the area under review but are not vital to the overall system of internal control.

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WIRRAL COUNCIL

AUDIT AND RISK MANAGEMENT COMMITTEE

25 NOVEMBER 2013

SUBJECT:	CHANGE IN PAYMENT DESTINATION FRAUD
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF INTERNAL AUDITOR
KEY DECISION:	NO

1.0 EXECUTIVE SUMMARY

1.1 The Authority was recently the subject of a Bank Mandate Fraud which resulted in payments of £45,683.86 and £95.60 that were due for a Care Home being diverted to an alternative account. Following an initial assessment and establishing that a fraud had occurred, a replacement payment was issued to the supplier.

1.2 Mandate fraud is a very common fraud targeting Local Authorities, Hospitals, Universities, Supermarkets and other major organisations. In the first half of 2012 over £150 million was lost to this type of fraud within the UK alone.

Neighbouring authorities within the North-West such as Salford (£125k), Wigan, Rochdale, Bolton (£500k, £600k attempt) and Warrington have fallen victim to these frauds in recent years.

1.3 Following the fraud being reported to Internal Audit an investigation was undertaken to establish how it had been allowed to occur despite the clear and robust procedures that are in place to prevent incidents like this occurring.

2.0 BACKGROUND

2.1 A telephone call was received by DASS on 23rd August 2013 from the General Manager of a local Care Home querying why they had not received a payment of £45,683.86 that had been due the previous week, despite having received a remittance for said payment.

2.2 DASS were able to confirm that a payment had been issued by BACS on 13th August 2013 but also noted that a request to change the bank details of the payee had also been received some weeks earlier.

2.3 The General Manager confirmed that no request had been made by the Home for changes in their account details; it was at this point that DASS contacted Internal Audit to report the suspected fraud.

2.4 Contact was immediately made by Internal Audit with the destination bank who confirmed that the funds had left the account as soon as the payment had cleared on 16th August 2013.

2.5 Provision was made between DASS and Accounts Payable for a replacement payment to be made as it had been established that payment had been made to an alternative account and not that of the Home.

3.0 INTERNAL AUDIT INVESTIGATION

- 3.1 It was found that a request to change the payee details of this account was received, via email, in July 2013. The email was received on the CPT email address that Accounts Payable advocate suppliers use for their correspondence.
- 3.2 The email address from which the request was sent was checked, by the officer, against the Oracle system, that Accounts Payable use for the Authority's creditors. It was found that the email address on the request matched that which we held on the Bank Mandate form that had been completed some two years ago.
- 3.3 The email that was received requesting the change also contained details of the previous month's remittance.
- 3.4 The instructions that have been issued to staff to process these change requests state that in all instances they must phone the supplier to confirm that the request is genuine. Once contact has been made with the supplier further security questions are required, but it is essential that contact is made for these procedures to be effective.
- 3.5 In this instance procedures were not followed as having checked the email address and the fact that the previous months remittance was on the requesting email it was assumed by the member of staff that the request was genuine.
- 3.6 The change was checked by a supervising officer and the changes were subsequently made to the Oracle system.
- 3.7 The loss was immediately reported to the Local Police on the 23rd August 2013 and subsequently following advice from them to the National Fraud Reporting Hotline at Action Fraud. Crime numbers were provided by each of these organisations.
- 3.8 Internal Audits' investigations have been able to identify the name, account holder and address for the destination account into which the monies were transferred and also the accounts to which these monies were further moved.
- 3.9 Internal Audit continued to trace the money trail and share their information with the Police as Internal Audit we had had no confirmation at this time that the Police had accepted this case for investigation.
- 3.10 All additional information obtained has been passed to Action Fraud for their consideration and have also been passed to the Economic Crime Unit of Merseyside Police.

Internal Audit were advised on 11th November 2013 by Action Fraud that the information has now been passed to the Metropolitan Police for consideration. Internal Audit had earlier, however, been contacted by the Metropolitan Police on 5th November 2013 to advise us that they are now actively pursuing this. Internal Audit has provided a statement detailing the events and their investigation by way of a formal complaint.

- 3.11 A report has been prepared for senior management identifying ten recommendations which stress the importance of following documented procedures in respect of changes to any account details.

These recommendations have been identified in the Monthly IA Activity Summary Report for ARMC dated September 2013.

4.0 RELEVANT RISKS

It is important for the Council to have adequate policies and procedures in place, to protect itself against the significant threat, posed by this and other types of fraud. However failure to follow such procedures will inevitably result in the Council becoming the victim of such fraud.

5.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

5.1 There are none arising from this report.

6.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

6.1 There are none arising from this report.

7.0 LEGAL IMPLICATIONS

7.1 There are none arising from this report.

8.0 EQUALITIES IMPLICATIONS

8.1 Has the potential impact of your proposal(s) been reviewed with regard to equality? No because there is no relevance to equality.

9.0 CARBON REDUCTION IMPLICATIONS

9.1 There are none arising from this report.

10.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

10.1 There are none arising from this report.

11.0 RECOMMENDATIONS

11.1 That the report and actions currently being taken by officers be noted.

12.0 REASON FOR RECOMMENDATION

12.1 To ensure that procedures for Changes in Account payee requests are up to date and officers comply with these procedures.

12.2 That compliance with the recommendations will prevent a recurrence of this incident.

REPORT AUTHOR: Mark P. Niblock
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APPENDICES

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
N/A	

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WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

25 NOVEMBER 2013

SUBJECT	STATEMENT OF ACCOUNTS 2012/13
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1. The report updates Committee on the conclusion of the audit process for 2012/13 including the Audit Findings Report Action Plan that has been developed since the Audit Findings Report was finalised with the Council's external auditors in September.

2.0 BACKGROUND AND KEY ISSUES

INTRODUCTION

- 2.1 The Council Constitution allocates responsibility for the approval of the Statement of Accounts to the Audit & Risk Management Committee. The draft Statement for 2012/13 was published on 28 June 2013 and was then subject to audit. Grant Thornton, the Councils' External Auditors, presented their findings, within the Audit Findings Report (AFR) to this Committee on 18 September 2013. The Statement of Accounts 2012/13 was published on 30 September 2013 – the statutory deadline for publication – and included the Merseyside Pension Fund (MPF) accounts as Wirral Council is the Administering Authority for MPF.

AMENDMENTS TO THE STATEMENT OF ACCOUNTS

- 2.2 Following the Committee on 18 September no further amendments were requested to be made to the Statement of Accounts by Grant Thornton. The meeting was informed of one amendment highlighted by the Auditor and detailed in the Audit Findings Report. One item identified was, following Member agreement, not adjusted in 2012/13 but will be in 2013/14. This related to land at Bidston Moss and is being adjusted in the 2013/14 Statement of Accounts as it has no impact on the level of financial resources available to the Council.
- 2.3 The final published Statement of Accounts also incorporated the Annual Government Statement and Action Plan for 2012/13 approved at the Committee meeting on 18 September.

AUDITOR'S REPORT AND OPINION

- 2.4 Committee on 18 September 2013 considered the Audit Findings Report issued by Grant Thornton and, given that work was on-going; delegated to the Chair of the Committee and the Interim Director of Resources authority to finalise the Statement of Accounts 2012/13.

- 2.5 The Audit Opinion was issued on 30 September 2013 and is appended. This stated that the financial statements give a true and fair view of the financial position of the Council at 31 March 2013 and of its expenditure and income for the year and that they have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.
- 2.6 Besides commenting on the Financial Statements Grant Thornton also report on 'Matters by exception'. Grant Thornton reported an adverse conclusion on the Councils' arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2013.
- 2.7 The Financial Resilience Report expanded on these issues and whilst there was an adverse (red) rating Grant Thornton recognised the progress made by the Council during 2012/13 with the Direction of Travel being rated as 'amber'. It should be borne in mind that the conclusion is based on the arrangements that were in place throughout the full year.
- 2.8 The Audit Certificate, issued to formally conclude the audit is due to be issued at the time of preparing this report. The outstanding work in respect of the Whole Of Government Accounts was completed by the October deadline and Grant Thornton have concluded consideration of matters brought to our attention by local authority electors. Grant Thornton have re-affirmed that these matters do not have a material effect on the financial statements or a significant impact on our value for money conclusion.

ANNUAL FINDINGS REPORT ACTION PLAN

- 2.9 The final Audit Finding Report received contained a number of recommended actions which Grant Thornton believe will improve the Councils financial controls or give consideration to the key issues facing the Council in the future. These recommendations have been agreed and an action Plan developed to bring improvements in the areas identified.

3.0 RELEVANT RISKS

- 3.1 Grant Thornton identified a number of concerns in their Audit Findings Report. If not addressed by the Council through the Action Plan then there are potential risks that the Council will not be able to meet its statutory requirements in respect of the Statement of Accounts. There are also concerns relating to Value for Money and Financial Resilience of the Council.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The Statement of Accounts has to be produced in accordance with statutory guidance and the Statement is then subject to review by the appointed Auditor.

5.0 CONSULTATION

- 5.1 There has been no specific consultation in respect of this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising directly from this report.

7.0 RESOURCE IMPLICATIONS

7.1 The amendments to the Statement of Accounts 2012/13 did not change the level of General Fund balance or reserves and provisions at 31 March 2013 which remain as reported to Cabinet on 13 June 2013.

7.2 There are no IT or asset implications arising from this report.

8.0 LEGAL IMPLICATIONS

8.1 It is a legal requirement to publish the Statement of Accounts by 30 September 2013.

9.0 EQUALITIES IMPLICATIONS

9.1 There are no equality implications arising directly from the production of the Statement of Accounts so an Equality Impact Assessment (EIA) is not required. If requested then arrangements can be made to provide the Accounts in both different languages and formats.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising directly from this report.

12.0 RECOMMENDATIONS

12.1 That the Independent Auditors Report be noted.

12.2 That progress on delivering the actions identified in the Audit Findings Report Action Plan be reported to this Committee.

13.0 REASON FOR RECOMMENDATIONS

13.1 Audit & Risk Management Committee has responsibility for approving the Statement of Accounts on behalf of the Council which is a requirement under the Accounts and Audit Regulations 2003, as amended in 2011.

REPORT AUTHOR: Tom Sault
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APPENDICES

- 1 Independent Auditor's Report issued by Grant Thornton 30 September 2013.
- 2 Audit Findings Report Action Plan

Note : Statement of Accounts 2012/13 - as the document is in excess of 190 pages it has not been appended but can be accessed via the Council web-site.

BACKGROUND PAPERS

Audit Findings Report for Wirral Council issued by Grant Thornton September 2013.
Review of Wirral Council's Arrangements For Securing Financial Resilience issued by Grant Thornton September 2013.

REFERENCE MATERIAL / SUBJECT HISTORY

Council Meeting	Date
Audit & Risk Management Committee Grant Thornton Audit Findings Report - Merseyside Pension Fund Merseyside Pension Fund Accounts 2012/13 Grant Thornton Audit Findings Report - Wirral Council Statement of Accounts 2012/132 Grant Thornton Financial Resilience Report	18 September 2013
Cabinet Statement of Accounts 2012/13	10 October 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIRRAL COUNCIL**Opinion on the Authority financial statements**

We have audited the financial statements of Wirral Council for the year ended 31 March 2013 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Collection Fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

This report is made solely to the members of Wirral Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Director of Resources (Interim) and auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the Director of Resources (Interim) is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director of Resources (Interim); and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Wirral Council as at 31 March 2013 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007;
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- we designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Authority to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We are currently considering a matter raised by local electors and will be unable to formally conclude the audit and issue an audit certificate until this matter has been concluded.

Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Authority and the auditor

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in November 2012, as to whether the Authority has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2013.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Basis for adverse conclusion

In seeking to satisfy ourselves that the Council has made proper arrangements for securing financial resilience, we have considered the following matters:

- There were weaknesses in leadership and financial governance during the year that diverted action from delivering improvement; for part of the year there were significant capacity issues at senior officer level, the s151 officer did not sit on the management team and there were three different chief finance officers/s151 officers between the start of April and mid-October.
- The Corporate Plan was subject to significant review and change, impacting adversely on the Authority's ability to plan and prioritise over the medium to longer term. The plan was not underpinned by a robust medium term financial plan that clearly set out how the Council would address the projected shortfall of around £100 million for the period 2012– 2015 or the £17m potential overspend identified at month three.
- The Authority acknowledged that there had been under budgeting issues for a number of years and savings plans were not robust, resulting in substantial year end overspends mainly funded by one off non-recurring income or savings. There has been regular use of reserves to fund recurrent expenditure as well as weaknesses in forecasting capital expenditure and an expenditure freeze was implemented to secure balance by the end of the year.

- The 2012/13 budget planning assumptions, scenario planning and risk management were not robust and this has had a significant impact on financial plans going forward.

In seeking to satisfy ourselves that the Council has made proper arrangements for challenging how it secures economy, efficiency and effectiveness, we have considered the following matters:

- For much of the year there was a lack of clarity about the Council's strategic priorities resulting in a lack of a strategic approach to challenging spend and considering how spending matches the priorities of the Authority.
- Performance management and risk management arrangements were reviewed by Internal Audit during the year and given 'limited assurance'.
- The strategic change programme was not linked to the wider savings programme and neither were delivered as planned. In the early part of the year there was a lack of impetus on decision-making and as a result the Authority was unable to demonstrate that there was an increase in productivity and better output from more limited resources.

These issues are acknowledged in the Authority's Improvement Plan and Annual Governance Statement.

Adverse conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in November 2012, the matters reported in the basis for adverse conclusion paragraph above prevent us from being satisfied that in all significant respects Wirral Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2013.

Report by exception

The Audit Commission's guidance also requires us to report by exception on any other significant additional matters that come to our attention and which we consider to be relevant to proper arrangements to secure economy, efficiency and effectiveness in the use of resources. Such matters have come to our attention relating to significant weaknesses in the Authority's arrangements for:

- promoting and demonstrating the principles and values of good governance; and
- managing risks and maintaining a sound system of internal control.

The Council has yet to fully address the corporate governance weaknesses which have been repeatedly identified in respect of key issues such as whistleblowing, conflicts of interest, compliance with procedures, risk management, Internal Audit and providing value for money. In addition there is a high incidence of non-compliance with procedures. We continue to receive a number of questions and concerns raised by members of the public.

Without good governance, risk increases and priorities may not be achieved.

There were weaknesses in corporate arrangements for risk management, compliance with policies, procedures and internal control. Arrangements for the assurance of the systems of internal control were not adequate or effective and this

was reflected in the Internal Audit annual report and the Council's Annual Governance Statement.

Without sound arrangements risks cannot be managed to a reasonable level and resources may not be used effectively to deliver value for money.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have:

- completed our consideration of matters brought to our attention by local authority electors; and
- completed our work on the Council's Whole of Government Accounts.

We are satisfied that these matters do not have a material effect on the financial statements or a significant impact on our value for money conclusion.

Michael Thomas

Director

for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Royal Liver Building, Liverpool, L3 1PS

30 September 2013

The signed version of this report is available from the Director of Resources for Wirral Council, PO Box No 2, Treasury Building, Cleveland Street, Birkenhead, Wirral, CH41 6BU

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIRRAL COUNCIL

Opinion on the pension fund financial statements

We have audited the pension fund financial statements of Merseyside Pension Fund for the year ended 31 March 2013 under the Audit Commission Act 1998. The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

This report is made solely to the members of Wirral Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Director of Resources (Interim) and auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the Director of Resources (Interim) is responsible for the preparation of the Authority's Statement of Accounts, which includes the pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the pension fund financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director of Resources (Interim); and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion on the pension fund financial statements

In our opinion the pension fund's financial statements:

- give a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2013 and the amount and disposition of the fund's assets and liabilities as at 31 March 2013, other than liabilities to pay pensions and other benefits after the end of the scheme year; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

Michael Thomas

Director

for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Royal Liver Building, Liverpool, L3 1PS

30 September 2013

The signed version of this report is available from the Director of Resources for Wirral Council, PO Box No 2, Treasury Building, Cleveland Street, Birkenhead, Wirral, CH41 6BU

AUDIT FINDINGS REPORT ACTION PLAN				APPENDIX 2
Rec. Number	Recommendation	Priority	Management Response	Implementation date and responsibility
1	Improve supporting documentation to support key controls for payroll, in particular in respect of starters.	Medium	Recommendation implemented July 2013 following internal audit findings. Supporting documentation now stored on electronic document storage system (Documentum).	July 2013 Jann Lindoe (Payroll Services)
2	Improve controls for property plant and equipment to ensure asset records are sufficient for financial reporting requirements and stewardship.	Medium	Plant and equipment records continue to be enhanced.	June 2014 Reg Huyton (Financial Services) with support from other Directorates
3	Ensure weaknesses in the application of and adherence to the controls in the accounts payable system are addressed and key documentation is retained.	Medium	Specific Actions will be developed to improve application and adherence to the controls, including information to all affected staff of processes and reports to highlight non-compliance.	March 2014 Ray Williams (Procurement)
4	Ensure evidence is retained to support segregation of duties and authorisation processes for journals.	Medium	Evidence to support the authorisation of journals including the segregation of duties has been developed and implemented.	October 2013 Jenny Spick (Financial Services)
5	Ensure all officers and members complete declarations in respect of related party transactions.	Medium	Actions taken to pursue returns and these are being enhanced to include making more information available to Members and integrating related party requests with other communications. This includes the process for Members leaving their seats.	June 2014 Tom Sault (Financial Services) Surjit Tour (Legal and Member Services)

Rec. Number	Recommendation	Priority	Management Response	Implementation date and responsibility
6	Revise the Annual Governance Statement (AGS) to ensure it reflects compliance with CIPFA guidance and is consistent with other information on governance that is available to the Council.	Medium	An updated AGS was prepared and agreed by Audit & Risk Management Committee 18 September 2013.	September 2013 Graham Burgess (Chief Executive)
7	Ensure the weakness identified in respect of financial resilience, securing economy efficiency and effectiveness and proper arrangements continue to be addressed.	High	The Council continues to improve its Corporate Planning and Financial Management arrangements. The Medium Term Financial Strategy will be updated twice during the financial year. The development of savings will commence earlier and be agreed by December. Reserves and balances are assessed as part of monitoring and fully reviewed twice a year.	March 2014 Chief Executive, Strategic Directors and Director of Resources
8	Improve the guidance to valuers to ensure the requirements of IAS16 and the Code are fully met and documented.	Medium	The annual instruction to the valuers will be reviewed and revised, where required, to meet the requirements of IAS16 and the Code.	December 2013 Reg Huyton (Financial Services)
9	Improve the systems for producing the subjective analysis.	Medium	A review of the systems for producing the subjective analysis will be undertaken with the aim of improving the production of the subjective information for the Statement of Accounts.	December 2013. Jenny Spick (Financial Services)

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WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

25 NOVEMBER 2013

SUBJECT	MANAGEMENT OF INSURANCE AND CORPORATE RISK
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report confirms progress made since September in relation to the key actions in corporate risk and insurance management planned for 2013/14 and reported to this Committee on 31 January 2013.

2.0 BACKGROUND

- 2.1 Risk and insurance management comprises two significant areas of activity:
- The provision of advice and support to Members and officers in developing the corporate risk management framework and processes.
 - Risk financing which incorporates insurance procurement, management of the Council's Insurance Fund and claims management.

3.0 KEY ISSUES

- 3.1 In addition to day-to-day operations the insurance service is responsible for major procurement exercises and improvement activities. This report focuses on the latter. The key actions to be implemented up to the end of 2013/14 were included in the report to Committee on 31 January 2013. Progress since September in respect of those actions is summarised in the paragraphs below:

3.1.1 Management of the Insurance Fund

The Insurance Fund Budget for 2014/15 has been drafted and is the subject of discussions in respect of the schools premiums. Once concluded the Budget will be reported to the next meeting of this Committee.

3.1.2 Report on Liability funding requirements

The report of the external actuary is expected by the end of November. This will support a review of Insurance Fund reserves and provisions and the key points will be reported to a future meeting of this Committee.

3.1.3 Academy Schools insurance procurement

Existing Academy schools have now been provided with their policy documentation. Following the procurement exercise insurers have requested that each school completes a number of additional questionnaires and are being supported by the Risk & Insurance Team. Services for Academy schools are expected to generate income of £40,000 in the current financial year.

3.1.4 Procurement of Motor and Engineering insurance and inspection contracts

A planning meeting has been held with the Council's insurance brokers and a draft timetable for the procurement exercise has been agreed.

3.1.5 Determine risk appetite and the future objectives for risk management

The priorities of the Chief Executive Strategy Group have informed the objectives contained in the draft Risk Management Policy (see below). A mechanism for developing the Council's risk appetite is currently being considered by the Group.

3.1.6 Review of the Corporate Risk Management Framework and processes

The review of how risk management will be practised in the organisation continues. Proposals for revised reporting processes and roles and responsibilities were included in the draft Risk Management Policy document presented to the Chief Executive Strategy Group on 22 October (see below).

3.1.7 Draft new corporate Risk Management Policy and Strategy

A draft revised corporate Risk Management Policy and Strategy document was considered by the Chief Executive Strategy Group on 22 October. Further amendments will be made prior to its presentation to this Committee and to Cabinet in January 2014.

3.1.8 Review of Corporate Risk Register

The Chief Executive Strategy Group considered the Corporate Risk Register as part of the quarter two review of risk, audit, governance and performance. In conducting their review the Group took into account the minute from the 23 June 2013 meeting of this Committee that the following risks be considered for inclusion within the Register -

- The risk of IT failure.
- The potential failure in the duty of care to vulnerable people.
- Flood risk.
- Risks associated with COMAH sites in Ellesmere Port.

The Group agreed to add to the Register a number of high impact operational risks including the failure to safeguard vulnerable people and a sustained catastrophic failure in the Council's ICT systems.

The Group considered that flood risk was adequately recognised in the existing Register under the 'incidence of extreme weather events' risk and that the risk associated with COMAH sites is already recognised by and managed through the Council's emergency planning arrangements so it was not necessary to add it to the Corporate Risk Register.

4.0 RELEVANT RISKS

- 4.1 The improvement of the risk management framework and the implementation of more effective processes will help to improve the ability to handle risk across the organisation.

5.0 OTHER OPTIONS CONSIDERED

5.1 These are not applicable in respect of this monitoring report.

6.0 CONSULTATION

6.1 No specific consultation has been undertaken with regard to this report.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are no implications arising directly from this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING AND ASSETS

8.1 The provision of support services to Academy schools is estimated to generate income of approximately £40,000 in 2013/14. This will also help to offset the Council's insurance administration costs which are ultimately recharged to users of the service.

9.0 LEGAL IMPLICATIONS

9.1 There are no implications arising directly from this report.

10.0 EQUALITIES IMPLICATIONS

10.1 There are no implications arising directly from this report.

11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are no implications arising directly from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no implications arising directly from this report.

13.0 RECOMMENDATION

13.1 That the content of this report be noted.

14.0 REASON FOR RECOMMENDATION

14.1 Regular update reports are presented to this Committee on the work around Risk and Insurance which seek to support the Risk Management Strategy and maintain the successful management of the Insurance Fund.

REPORT AUTHOR: Mike Lane
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REFERENCE MATERIAL / SUBJECT HISTORY

Council Meeting	Date
Audit & Risk Management Committee	
Corporate Risk & Insurance Management	26 November 2012
Corporate Risk & Insurance Management	31 January 2013
Corporate Risk & Insurance Management	19 March 2013
Management of Insurance & Corporate Risk	10 June 2013
Management of Insurance & Corporate Risk	18 September 2013

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WIRRAL COUNCIL

AUDIT AND RISK MANAGEMENT COMMITTEE

25 NOVEMBER 2013

SUBJECT:	ORGANISATIONAL FIRST AID AT WORK AND FOOD HYGIENE TRAINING
WARD/S AFFECTED:	ALL
REPORT OF:	ASST CHIEF EXECUTIVE/HEAD OF INFRASTRUCTURE AND UNIVERSAL SERVICES
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to inform members in accordance with the “Approved Scheme of Delegation” and the “Contract Procedure Rules” of the use of delegated authority to accept and appoint The Training Company of Sandalwood Road, Bolton, BL5 2RQ to deliver the organisational First Aid at Work, Paediatric First Aid and Food Hygiene Training.

2.0 BACKGROUND AND KEY ISSUES

2.1 The existing contract for delivering organisational First Aid at Work training had expired and as a result the Senior Manager Health, Safety & Resilience was requested to lead to tendering exercise to appoint a new training provider.

2.2 Following discussions with key service areas, it was agreed to include both Paediatric First Aid Training and also Basic Food Hygiene Training within the scope of the tender. This would allow for schools and early learning establishments to use economies of scale and deliver a lower price for this training.

2.3 Due to a number of factors, including the use of different training providers, incorrect financial coding, and lack of historical financial data, it proved difficult to estimate the previous annual expenditure on First Aid at Work, Paediatric First Aid and Food Hygiene training. However, the estimated spend for this training appeared to be somewhere in the region of £100,000 per annum.

2.4 As a result of this estimated spend, the Procurement Team advised that the tender should be an Open Tender process and would require advertisement in the Official Journal of European Union.

2.5 The awarding of this contract is expected to deliver a substantial reduction in the previous annual spend, with fees for training delivered by the new provider appearing being approximately 20% cheaper than the previous provider.

2.6 Whilst it is difficult to estimate annual spend on this training from the new provider, it is predicted to be somewhere in the region of £25,000 per annum. This revised figure takes into account a 20% price reduction from what we are currently paying and a reduction on the number of First Aid training courses required as a result of organisational changes and also the fact that some schools are paying directly for this training.

3.0 RELEVANT RISKS

- 3.1 All employers have a legal obligation to provide a suitable number of trained first aiders in the workplace. The required number of first aiders in any one organisation or premise is based upon a suitable and sufficient risk assessment.
- 3.2 The core syllabus for First Aid at Work Training and Paediatric First Aid training is set by the industry body and the Health and Safety Executive. The Council ensures that its training providers for these courses are registered and approved by the appropriate awarding and governing bodies.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 Not relevant for this report.

5.0 CONSULTATION

- 5.1 Consultation took place internally with relevant internal service areas.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are no implications arising directly from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 7.1 There are no implications arising directly from this report.

8.0 LEGAL IMPLICATIONS

- 8.1 There are no legal implications arising directly from this report.

9.0 EQUALITIES IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review can be found via the following link:

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010-0>

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 Nil.

12.0 RECOMMENDATION/S

- 12.1 That the Audit and Risk Management Committee note the use of delegated authority to accept the tender and appoint The Training Company of Sandalwood Road, Bolton, BL5 2RQ to deliver the organisational First Aid at Work, Paediatric First Aid and Food Hygiene Training for Wirral Council.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The Corporate Procurement Team advise that tenders that result in an advertisement in the Official Journal of European Union and that are approved using delegated authority should be reported to the Audit & Risk Management Committee.

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APPENDICES

Nil

REFERENCE MATERIAL

Nil

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
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